BILL NO. S-81-05-33 as amended

SPECIAL ORDINANCE NO. S-149-81

AN ORDINANCE authorizing the establishment of an Interlocal Cooperative for purposes of insuring the reliable availability of quality Advanced Life Support Ambulance Service, delivered with clinically sound response time performance and without substantial interruption.

WHEREAS, the City of Fort Wayne has determined that the reliable availability of quality Advanced Life Support Ambulance Service, delivered with clinically sound response time performance, is essential to the public health and safety;

WHEREAS, the delivery of such service should not be subject to substantial interruption or deterioration in quality that would endanger the public health and safety;

WHEREAS, the City has found that the financial, technological, and organizational complexities of an Advanced Life Support Service require oversight by a public entity formed for this specific oversight purpose and that same should be governed by qualified individuals appointed to serve in the public interest;

WHEREAS, the City has found that the clinical complexities of an Advanced Life Support Service System require expert and fully informed medical control and clinical evaluation by an authorized body of physicians retained for such purposes;

WHEREAS, the City has determined that the most reliable and most cost effective structure for providing and regulating Advanced Life Support Services is an Ambulance Service System comprising uniform standards for regulation, rate-setting, and general oversight and supervision of operations and one that would be, if at all possible, a combined City-County venture;

WHEREAS, I.C. 16-1-39-15 authorizes and empowers the City to establish, operate, maintain, and/or contract for

Emergency Medical Services; and

WHEREAS, I.C. 18-5-1.5-1 et. seq. authorizes and empowers the City to jointly exercise such power with any other governmental unit of this state.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. Authority, in conformance with I.C. 18-5-1.5-3, and otherwise, is hereby given to the City of Fort Wayne to enter into the Three Rivers Emergency Medical Services Interlocal Cooperative Agreement, hereinafter referred to as "Agreement", with the County of Allen, State of Indiana, by its Commissioners, said Agreement being attached hereto, as a part hereof, and marked Exhibit "A", and that furthermore, said Agreement (and all terms and conditions thereof) is hereby approved by the Common Council of the City of Fort Wayne pursuant to the terms and conditions of said Agreement, and the City of Fort Wayne is authorized to operate and function under said Agreement, for the purposes stated in said Agreement, regardless of whether or not the County of Allen becomes a party thereto, and that furthermore, the City of Fort Wayne is authorized to be a party to said Agreement, along with any other governmental unit that may subsequently become a party to said Agreement.

SECTION 2. There is hereby created, by ratification of the Agreement, the Three Rivers Emergency Medical Services Interlocal Cooperative, hereinafter referred to as "Cooperative" which shall be organized and which shall function and be managed pursuant to the terms and conditions of the Agreement, and the purposes of the Cooperative are as outlined in said Agreement and shall include, but will not be limited to, the development of an Uniform Ambulance Licensing Ordinance for

adoption by the Common Council of the City of Fort Wayne and any other appropriate legislative body of any other member of the Cooperative; and to receive franchise fees for purposes of contracting with a quality Assurance Physicians Group for purposes of providing quality control.

SECTION 3. There is also created, by ratification of the Agreement, the Three Rivers Ambulance Authority hereinafter referred to as "Authority", whose membership, purposes, and functions shall be as provided for in the Agreement, which shall include, but shall not be limited to: The providing (or cause to be provided) of Advanced Life Support services to the jurisdictions referred to in the Agreement; the acquiring and/or leasing of capital equipment required for such services; contracting with the Department of Emergency Medical Services of the City of Fort Wayne at least through December 31, 1982, for the provision and management of professional drivers, paramedics, dispatching services, and maintenance of equipment and miscellaneous duties; the establishment of equitable rates for services rendered by any ambulance service provider as licensed; the billing and attempted collection for services rendered in a manner which will maximize revenues from third party payors (e.g., Medicare, Medicaid, private insurance companies, and the like) and in a manner which prevents the subsidization of services rendered in one jurisdiction from subsidies being provided by another jurisdiction. All persons receiving services from the Emergency Medical Service shall pay for this service <u>if</u> they are financially able to do so; however, people who have no ability to pay the fee will have the cost of EMS Service waived.

as amended by Common Council 6/30/81

SECTION 4. All Ordinances and Resolutions of the Common Council of the City of Fort Wayne, or parts thereof, in conflict with this Ordinance, are hereby repealed to the extent of such conflict.

SECTION 5. If any section, clause, sentence, paragraph, part or provision of this Ordinance shall be held invalid, it shall be conclusively presumed that this Ordinance would have been passed by the Common Council without such invalid section, clause, sentence, paragraph, part or provision.

SECTION 6. This Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Vivian G. Schmidt
COUNCILWOMAN

Approved as to form and
legality June 1, 1981

Bruce O. Boxberger
Bruce O. Boxberger, Attorney

Read the first time in full and on motion by V. Schmidt seconded by Talarico, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____ the _____ day of _____, 19____, at _____ o'clock ____ M.,E.S.T.

DATE: 6-2-81

Charles W. Westerman
CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by V. Schmidt, seconded by Gaskill, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	8	0	1		
BURNS			X		
EISBART	X				
GiaQUINTA	X				
NUCKOLS	X				
SCHMIDT, D.	X				
SCHMIDT, V.	X				
SCHOMBURG	X				
STIER	X				
TALARICO	X				

DATE: 6-30-81

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ZONING MAP~~) (~~GENERAL~~) (~~ANNEXATION~~) (SPECIAL) (~~APPROPRIATION~~) ORDINANCE (~~RESOLUTION~~) No. S-149-81 on the 30th day of June, 19 81.

ATTEST: (SEAL)

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

John Nuckols
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 1st day of July, 19 81, at the hour of 2:30 o'clock P. M.,E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 6th day of July 19 81, at the hour of 8 o'clock A M.,E.S.T.

WINFIELD C. MOSES, JR.
MAYOR

Held for the June 30th

BILL NO. S-81-05-33

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance TO WHOM WAS REFERRED AN ORDINANCE authorizing the establishment of an Interlocal Cooperative for purposes of insuring the reliable availability of quality Advanced Life Support Ambulance Service, delivered with clinically sound response time performance and without substantial interruption

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE Do as amended PASS.

VIVIAN G. SCHMIDT, CHAIRMAN	Vivian G. Schmidt
JAMES S. STIER, VICE CHAIRMAN	James S. Stier
MARK E. GiaQUINTA	
PAUL M. BURNS	Paul M. Burns
ROY J. SCHOMBURG	Roy J. Schomburg

ALLEN COUNTY ATTORNEY

ROOM 200, CITY-COUNTY BUILDING
ONE MAIN STREET
FORT WAYNE, INDIANA 46802

County Attorney
Thomas E. Ruzzo 743-9706

Chief Deputy
G. William Fishering,III 743-9706

Assistant County Attorneys
John O. Feighner 424-2000
W. Paul Helmke,Jr. 422-7422
Paul B. McNellis 422-3547

County Plan Commission Attorney
Paul C. Raver,Sr. 424-1333

County Drainage Board Attorney
Steven W. Adair 743-9706

County Welfare Department Attorneys
Philip H. Larmore 743-9706
David A. Stewart 423-3475

Copies
File

June 30, 1981

Mr. Bruce O. Boxberger
200 Metro Building
Fort Wayne, Indiana 46802

Dear Mr. Boxberger:

I have reviewed the Intergovernmental Cooperation Agreement, as well as the amendments thereto, with the Board of Commissioners, and both documents in their present form are acceptable to the Board. I fully expect the Commissioners to execute the Agreement within 30 days after passage by the City Council and execution by the Mayor.

As we have discussed, there are a number of problems which will need to be addressed at the ordinance writing stage. Among them are the proper handling of the Township Trustees, the adoption of the contract presently in existence between the city and The Fourth Party, Inc., and the resolution of the non-emergency transport question. However, anticipating the continuing spirit of cooperation, I do not feel any of these will be substantial hurdles.

Very truly yours,

ALLEN COUNTY ATTORNEY

Bill F

G. William Fishering, III
Chief Deputy

GWF:jc

EXHIBIT "A"

THREE RIVERS EMERGENCY MEDICAL SERVICES INTERLOCAL COOPERATIVE AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 1981, by the CITY OF FORT WAYNE, INDIANA, hereinafter referred to as "City", and provision is further made herein for the COUNTY OF ALLEN, STATE OF INDIANA, by its Commissioners, hereinafter referred to as "County", to become a party to this Agreement.

W I T N E S S E T H :

WHEREAS, the City and the County have determined that the reliable availability of quality Advanced Life Support Ambulance Service, delivered with clinically sound response time performance, is essential to the public health and safety;

WHEREAS, the City and the County have determined that the delivery of such service should not be subject to substantial interruption or deterioration in quality that would endanger the public health and safety;

WHEREAS, the City and the County find that the financial, technological, and organizational complexities of Advanced Life Support service delivery requires oversight by a public entity formed for this specific oversight purpose and that same should be governed by qualified individuals appointed to service in the public interest;

WHEREAS, the City and the County have found that the clinical complexity of an Advanced Life Support Service System requires expert and fully informed medical control and clinical

evaluation by an authorized body of physicians retained for such purposes;

WHEREAS, the City and the County have determined that the most reliable and most cost effective structure for providing and regulating Advanced Life Support Services is a combined City-County Ambulance Service System comprising uniform standards for regulation, rate-setting, and general oversight and supervision of operations;

WHEREAS, that pursuant to I.C. 16-1-39-1 et.seq., both the City and the County are authorized to establish, operate, maintain and/or contract for Emergency Medical Services;

WHEREAS, pursuant to I.C. 18-5-1.5-1 et.seq., and specifically, I.C. 18-5-1.5-3, the City and the County, respectively, are empowered and authorized to jointly provide services and facilities to the general public;

WHEREAS, the City has determined that it must proceed immediately with the implementation of a new and expanded Emergency Medical Services System;

WHEREAS, the City has made certain financial and other commitments to expedite such expansion to protect the public health and safety;

WHEREAS, in anticipation of acceptance of this Agreement by the parties, this Agreement has been prepared, even though the County's acceptance of this Agreement may come at a later date than the acceptance of this Agreement by the City;

WHEREAS, this Agreement shall become operable and binding upon the City upon appropriate action by Ordinance of the Common Council of the City of Fort Wayne and upon the execution of this Agreement by the Mayor of the City of Fort Wayne, and further, provision is herein made for this Agreement to subsequently become binding upon the County; and

WHEREAS, this Agreement is made pursuant to I.C. 18-5-1.5-1 et.seq.

NOW, THEREFORE, upon the following covenants and conditions, it is agreed:

1. FORMATION OF COOPERATIVE. The Three Rivers Emergency Medical Services Interlocal Cooperative, hereinafter referred to as "Cooperative", is hereby formed as the administrative entity to provide and oversee, in the interest of public health and safety, all aspects of ambulance operations, emergency and non-emergency.

2. MEMBERSHIP IN COOPERATIVE. Membership in the Cooperative shall be limited to local units of government, for purposes herein, defined as cities of the second, third, fourth, or fifth class, and counties in the State of Indiana.

(a) The City, through Ordinance of its Common Council, has been authorized to become a member of the Cooperative, and thus, upon execution of this Agreement by the Mayor of the City, the City shall become a member of the Cooperative;

(b) The County may become a member of the Cooperative

by taking all necessary legal action to enter into this Agreement as required by I.C. 18-5-1.5-3 and causing this Agreement to be executed by its Commissioners within sixty (60) days from date of execution by the Mayor of the City of Fort Wayne;

(c) Other local units of government eligible for membership, including Allen County, if it has not become a member within the sixty (60) day period referred to immediately above in Paragraph 2(b), may become members of the Cooperative after all appropriate legal action as required by I.C. 18-5-1.5-3 is taken and only upon unanimous consent of each Trustee of the Board of Trustees of the Cooperative as hereinafter referred to in Paragraph 4 of this Agreement;

(d) In addition, each and every member of the Cooperative to initially become a member and to remain a member in good standing of the Cooperative must adopt and become a party to this Agreement and the terms and conditions hereof, and further, each such member must adopt and enforce the Uniform Ambulance Licensing Ordinance and all Rules and Regulations thereto as promulgated, from time to time, by the Cooperative. Failure by any existing member to adopt any subsequent Rules and Regulations of the Cooperative within sixty (60) days of adoption shall cause such member to lose its membership status in the Cooperative.

3. JURISDICTION OF COOPERATIVE. The jurisdiction of the Cooperative and the terms and conditions of this Agreement and the rights, responsibilities, and services to be provided

hereunder shall extend to the boundaries of all of the members of the Cooperative, as same is or are comprised, from time to time. If the City is the only member of the Cooperative, this Agreement and the terms and conditions hereof and the services to be provided hereunder shall extend only to the corporate limits of the City of Fort Wayne, Indiana.

4. BOARD OF TRUSTEES. The Cooperative shall be governed by a Board of Trustees consisting of a Trustee (who may be an employee of the participating member) from each participating member (unit of local government as defined above); and also, a Trustee who is the Chairperson of the Quality Assurance Foundation (whose official name shall be determined at a later time, but for purposes herein, shall be referred to as "Foundation"). The Trustee from the City shall be chosen by its Mayor, for an indeterminate term, at the discretion of the Mayor.

The Chairperson of the Foundation shall automatically be a Trustee whose term shall coincide with his/her term as Chairperson of the Foundation.

If Allen County becomes a member, its County Commissioners shall appoint its Trustee, who shall serve an indeterminate term, at the discretion of said Commissioners.

Any subsequent members (cities or counties) shall have their Trustees appointed by their Mayors or Commissioners, as the case may be, said Trustees to serve indeterminate terms, at the discretion of the Mayors or Commissioners, whichever is appropriate.

Until a local unit of government is a member of the Cooperative, its designated Trustee, if designated prior to the time of membership, shall not exercise any voting rights on the Board of Trustees of the Cooperative.

5. POWERS OF COOPERATIVE. The Cooperative shall function as an administrative entity through its Board of Trustees and shall have the following powers to provide and oversee all aspects of ambulance operations, emergency and non-emergency:

(a) The Board of Trustees shall cause to be created a Uniform Ambulance Licensing Ordinance for adoption by the appropriate legislative bodies of each member of the Cooperative, which Ordinance shall contain, among other things, a provision for the charging of fees for the purpose of financial quality and physician supervision of services to be rendered.

(b) From time to time, promulgate Rules and Regulations supplemental to the Uniform Ambulance Licensing Ordinance; provided that said rules and regulations shall not become effective until ratified by ordinance by the legislative bodies of each member of the cooperative.

amended by Common Council 6/30/81

(c) Enter into an Agreement with the Foundation which will provide for medical protocols, investigations of applications for ambulance licensing or re-licensing, vehicle permits and personnel certification, performance of medical audits, investigation of consumer complaints, and general fact-finding activities necessary to expedite an informed enforcement of the Uniform Ambulance Licensing Ordinance and all Rules and Regulations thereto.

(d) Adopt necessary By-Laws to implement the exercise of those duties, powers, rights, and responsiblilities as prescribed

in the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto and the terms and conditions of this Agreement.

6. MISCELLANEOUS COOPERATIVE PROVISIONS.

(a) The financing of the Cooperative shall be accomplished through adoption and charging of fees as provided for in the Uniform Ambulance Licensing Ordinance, which fees shall be paid by licensees to the Cooperative. These fees, as well as all other monies and properties received by the Cooperative, shall be received, disbursed, and accounted for by the City Controller of the City of Fort Wayne, who shall maintain a budget therefore and who shall manage said funds in strict accordance with the wishes of the members of the Cooperative. In that regard, the City Controller of the City of Fort Wayne is hereby designated as the "Disbursing Officer" of the Cooperative.

(b) Except for the Trustees, all staff of the Cooperative and the providing of all clerical support, shall be furnished to the Cooperative, without charge, by the Three Rivers Ambulance Authority, hereinafter created.

(c) The Cooperative shall not acquire, in its own name, any real or personal property, with the exception of the fees referred to above.

(d) Disposition of the Cooperative's property, upon termination of this Agreement, shall be as provided for in Paragraph 13 of this Agreement.

7. FORMATION OF AUTHORITY. It is the desire of the Cooperative that the services to be provided hereunder be so administered,

regulated, and furnished in an uninterrupted, professional, efficient, and cost-effective fashion, independent, as much as is possible, from partisan or political restraints. Thus, the Cooperative does hereby create the Three Rivers Ambulance Authority (hereinafter refered to as "Authority") to provide or cause to be provided Advanced Life Support Services within the jurisdiction of the Cooperative.

8. ADMINISTRATION OF AUTHORITY. The Authority shall be governed by a Board of Directors constituted as follows:

(a) Initially and as long as the City is the only member of the Cooperative, the Board of Directors shall consist of five (5) Directors, four (4) of whom shall be appointed by the Mayor of the City, and the remaining Director shall be the Chairperson of the Foundation, whose term as a Director shall coincide with his/her term as Chairperson of the Foundation.

(i) The four (4) Directors appointed by the Mayor shall have collective expertise in the areas of: Business law; health care administration; finance; and business management.

(ii) One (1) of the four (4) Directors appointed by the Mayor shall have an indeterminate term, at the discretion of the Mayor; the remaining three (3) Directors appointed by the Mayor shall have staggered terms of one (1), two (2), and three (3) years, respectively, as originally determined by the Mayor.

(iii) The Mayor shall exercise continuing appointment authority as to the Director serving with an indeterminate term. With respect to the three (3) Directors serving defined terms, vacancies upon expiration or otherwise shall be filled

by a majority vote of all of the Directors of the Authority.

(iv) In all cases, a new Director shall be selected to obtain the area of expertise no longer represented on the Board of Directors.

(v) Each Director appointed, now or in the future, under this Paragraph 8(a), with the exception of the Director who is the Chairperson of the Foundation, shall be a resident of the City of Fort Wayne.

(b) If the County becomes a member of the Cooperative within sixty (60) days from date of execution of this Agreement by the City, as prescribed in Paragraph 2(b) hereof, then the Board of Directors of the Authority, herein established in this Paragraph 8, shall be enlarged to nine (9) Directors, and the County Commissioners shall thus appoint four (4) additional Directors as herein provided, having the same collective expertise in the areas referred to in Paragraph 8(a)(i) above.

(i) Each Director appointed, now or in the future, under this Paragraph 8(b), shall be a resident of Allen County, Indiana.

(ii) One (1) of the four (4) Directors appointed by the County shall have an indeterminate term, at the discretion of the County Commissioners; the remaining three (3) Directors appointed by the County shall have staggered terms of one (1), two (2), and three (3) years, respectively, as originally determined by the County Commissioners.

(iii) The County Commissioners shall exercise continuing appointment authority as to the Director appointed by them

serving with an indeterminate term. With respect to the other three (3) Directors appointed by the County and serving defined terms, vacancies upon expiration or otherwise shall be filled by a majority vote of all of the Directors of the Authority.

(iv) In all cases, a new Director shall possess the area of expertise no longer represented on the Board of Directors or only represented by one (1) Director.

(c) If an additional unit of local government, including Allen County, if it has not become a member of the Cooperative within the sixty (60) day period provided for in Paragraph 2(b), becomes a member of the Cooperative, such additional member shall be entitled to one (1) Director on the Board of Directors of the Authority, same to be appointed by the Mayor or County Commissioners of the member, as the case may be. Any such Director must be a resident of the member unit of local government.

(d) No placement on the Board of Directors of a Director shall be effective and valid until the unit of local government in question is a member of the Cooperative as provided for in this Agreement.

9. FUNCTIONS AND POWERS OF AUTHORITY. As stated herein, it shall be the purpose and function of the Authority to provide Advanced Life Support Services to the citizens of the members of the Cooperative. In that regard, the Authority shall do the following:

(a) The Authority shall serve as a retail provider of Advanced Life Support Emergency and Non-Emergency Ambulance Services

throughout the jurisdiction of the members of the Cooperative and shall operate and provide such services pursuant to this Agreement and the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto, as adopted from time to time, by the Cooperative's Board of Trustees, and further, the Authority shall establish and charge fees for such services as necessary and appropriate to maintain the financial stability of the Authority and among other criteria, a fee for an ambulance run shall be based on the point of the run and not the residency of the citizen involved.

(b) The Authority may acquire and/or lease, in its own name, capital equipment required for such services.

(c) Notwithstanding anything herein to the contrary, the Authority shall contract with a qualified ambulance service provider (hereinafter referred to as "provider"), public or private, for the provision of professional labor and management services for operation of the Authority's ambulances, and in that regard, such provider shall use the Authority's equipment, and the provider shall serve as a wholesaler of labor and service to the Authority, and the Authority shall be prohibited from directly operating its ambulance service using its own personnel, except under circumstances which an emergency take-over of ambulance authority is deemed, by the Authority (upon a two-thirds [2/3] vote of the Board of Directors of the Authority), as necessary to protect the health and safety of the public, and even in such emergency circumstances, the Authority

shall not directly operate its ambulances for a period of more than six (6) months and shall then be required to select, by competitive procurement, a new ambulance services contractor (provider).

(d) To implement Paragraph 8(c) immediately above, the Authority shall contract with the Department of Emergency Medical Services of the City of Fort Wayne for a period of time not less than that ending through December 31, 1982, under which contract the City's Emergency Medical Services Department shall serve as an ambulance service provider within the jurisdiction of the members of the Cooperative and shall, in that regard, provide professional labor and management, drivers, paramedics, dispatching services, maintenance personnel, and shall perform miscellaneous duties in the use and operation of the Authority's equipment as a wholesaler of labor and service to the Authority. At the end of said contract with the City of Fort Wayne's Emergency Medical Services Department, the Authority may, at its option, and upon the advice of the Foundation, elect to enter into a competitive procurement for the management and labor services necessary, if the Authority believes such service is in the public interest.

(e) It shall be the responsibility of any provider, public or private, and including the City of Fort Wayne, to determine how best to meet the standards of this Agreement, the Uniform Ambulance Licensing Ordinance, and the Rules and Regulations thereof, and any and all other appropriate standards and requirements. In that regard, any provider shall have the discretion to manage its own working

force and its other responsibilities. It shall be the responsibility of the Authority, or its designatee, to ascertain whether or not any provider is meeting such standards, but not to otherwise interfere with the provider's policies and procedures and the management, hiring, payment, and direction of the provider's employees. In all cases, however, the provider's policies and procedures and the terms and conditions of employment for its employees shall be subject to all appropriate federal, state, and local law.

(f) The Authority shall establish equitable rates for services rendered by any ambulance service provider as licensed and shall bill and attempt collection for services rendered in a manner which will maximize revenues from third party payors (e.g., Medicare, Medicaid, private insurance companies, and the like) in a manner which prevents the subsidization of services rendered in one jurisdiction from subsidies being provided by another jurisdiction. In establishing its rate structures for services rendered throughout the various jurisdictions of the members of the Cooperative, the Directors of the Authority shall employ accounting systems and procedures which have the effect of establishing separate charges for services in each jurisdiction at a level sufficient to cover the Authority's cost of rendering such service to each jurisdiction adjusted to account for the respective collection rates experienced by the Authority among the jurisdictions of the members of the Cooperative, and any local tax subsidy paid the Authority by the members or any member of the

Cooperative.

(g) The Authority shall establish its own budget and may accumulate a net worth and operating capital or equity in property or combinations thereof not exceeding, however, the then current budget of the Authority as established.

(h) The City of Fort Wayne has previously contracted with The 4th Party, Inc. to perform consulting services and to develop and operate the data, billing, and collection system for the Authority, created hereunder, and the City has arranged, in that regard, for the financing and purchase of ambulances and communication equipment for use by the Authority, and the Authority shall assume such contractual commitments, including the contractual commitments to The 4th Party, Inc.; provided, however, that should the Directors of the Authority elect to terminate the contractual relationships with The 4th Party, Inc., they may do so by a majority vote of the then currently appointed and serving Directors, however, all sums then due and owing to The 4th Party, Inc. shall be paid to The 4th Party, Inc. by the Authority.

(i) The Authority may enter into separate agreements with townships to provide or cause to be provided to townships services in addition to those services that would otherwise be provided hereunder. However, townships shall not be parties to this Agreement, and thus, shall not be members of the Cooperative, and accordingly, shall not be entitled to representation on the Cooperative's Board of Trustees or on the Authority's Board of Directors. Any such additional services

to be provided to townships shall be financed by a higher rate charged in the townships and/or subsidies from the townships in question.

(j) The Board of Directors of the Authority shall adopt all necessary By-Laws to perform the above and foregoing; provided, however, that the Authority's powers shall not be greater than nor be in derogation of the terms and conditions of this Agreement, nor in contravention of the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto, as adopted from time to time by the Cooperative.

10. ASSIGNMENTS. In consideration of the services to be provided by the Authority hereunder and to initially implement the providing of such services, the City agrees as follows:

(a) To assign all of its right, title, and interest in and to all of its ambulance and related equipment to the Authority.

(b) All present accounts receivable generated by the City under the Common Council's Ordinance known as Bill No. S-81-03-47 shall be assigned by the City to the Authority, and any and all subsequent billings under said Ordinance shall inure to the benefit of and shall be the property of the Authority.

(c) This year's remaining balance of the City's budget for ambulance services and a negotiated amount (between the City and the Authority) of such budget for the City's fiscal year of 1982 shall be paid by the City to the Authority, subject to all appropriate budgetary procedures.

11. PERIODIC REVIEW. The Cooperative herein designates

the City Controller of the City of Fort Wayne to periodically review the books and records and data of the Authority and its operations to assure compliance with the terms and conditions of this Agreement, any separate agreements, the Uniform Ambulance Licensing Ordinance and all Rules and Regulations thereto. Such review may be conducted by the City Controller at times and places that he/she deems best.

12. INDEMNITY. The Authority, in all of its acts, undertakings, contracts, operations, omissions, and the like shall, to the extent of the Authority's assets and property, indemnify and hold harmless the Cooperative and all of its members from and against any and all liability of any kind or character, including attorney fees.

13. TERMINATION. This Agreement shall remain in effect for a period of twenty (20) years from date of execution by the City, subject to renewal by the members of the Cooperative, unless sooner terminated as herein provided.

(a) Any member of the Cooperative may withdraw its membership in the Cooperative, by appropriate action of the Mayor or County Commissioners of said member, as the case may be, by delivering written notice of such intention to withdraw to the Board of Trustees of the Cooperative at least thirty (30) days prior to the effective date of such withdrawal. Upon withdrawal from the Cooperative, the withdrawing member's representative(s) on the Cooperative's Board of Trustees and on the Authority's Board of Directors shall automatically be removed. The Cooperative shall

continue to function upon the withdrawal of a member as provided for in this Agreement but only in the jurisdiction of the remaining member(s). Provided, however, and notwithstanding anything herein to the contrary, if the City withdraws from the Cooperative, this Agreement shall terminate.

(b) Upon the termination of this Agreement, the Cooperative and Authority herein created and all other Boards and Foundations formed hereunder or because of this Agreement and all other contracts entered into because of this Agreement and all responsibilities hereunder shall cease and terminate.

(c) Because of the City's financial contributions, as aforedescribed, upon termination of the Agreement, all money, property, assignments, and other assets of the Cooperative and all money, property, assignments, and other assets of the Authority shall revert to the City of Fort Wayne. Thus, any money, property, assignments, or other assets of either the Cooperative or the Authority shall be subject to this right of reversion to the City of Fort Wayne as herein referred to.

14. AMENDMENT. This Agreement may be amended only in writing and only by a unanimous vote of all members of the Board of Trustees of the Cooperative.

15. MISCELLANEOUS.

(a) A copy of this Agreement shall be filed with the State Board of Accounts of the State of Indiana for audit purposes no later than sixty (60) days after execution of same by the City.

(b) This Agreement, upon execution by the City and

prior to the effectiveness of same, shall be recorded with the Recorder of Allen County, Indiana. This Agreement shall be deemed recordable even though the City is the only party to this Agreement that has executed same at the time of recordation.

(c) This Agreement, and the terms and conditions hereof, shall be subject to the Rules and Regulations and supervision of the Indiana Emergency Medical Services Commission and shall be further subject to any appropriate review, approval, or regulation as provided for by I.C. 18-5-1.5-3(g).

(d) This Agreement shall be construed in accordance with the laws of the State of Indiana.

(e) If any part or provision of this Agreement is rendered unenforceable or invalid, this Agreement shall be construed without such unenforceable or invalid part or provision.

(f) The duties, rights, and responsibilities and services to be provided hereunder shall not be exercised in any fashion that would discriminate against any person, firm, or entity in any fashion that would violate federal, state, or local law, and it is the right and responsibility of all parties hereto not to so discriminate in any fashion that would so violate federal, state, or local law.

(g) Even though this Agreement has been executed pursuant to I.C. 18-5-1.5-1 et.seq., this Agreement shall remain in full force and effect even if the City is the only party hereto, and thus, the only member of the Cooperative.

(h) This Agreement may be executed in counterparts,

each of which shall constitute an original.

IN WITNESS WHEREOF, this Agreement has been signed the dates indicated below.

CITY OF FORT WAYNE, INDIANA

DATED: _____

BY: _____
Winfield C. Moses, Jr., Mayor

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this _____ day of _____, 1981, personally appeared the duly constituted, authorized, and elected Mayor of the City of Fort Wayne, Winfield C. Moses, Jr., and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

My Commission Expires:

_____

_____
Notary Public

My County of Residence:

_____

COUNTY OF ALLEN, STATE OF INDIANA

DATED: _____ BY: _____

DATED: _____ BY: _____

DATED: _____ BY: _____

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this _____ day of _____, 1981, personally appeared the duly constituted, authorized, and elected County Commissioners of the County of Allen, State of Indiana, _____ _____, _____, _____, and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

My Commission Expires:

_____

_____

Notary Public

My County of Residence:

_____

This instrument prepared by Bruce O. Boxberger, City Attorney for the City of Fort Wayne, Indiana.

The City of Fort Wayne

July 13, 1981

Mr. Charles W. Westerman
City Clerk
City of Fort Wayne
City-County Building
One Main Street
Fort Wayne, Indiana 46802

Re: Three Rivers Emergency Medical Services
Interlocal Cooperative Agreement

Dear Charlie:

Enclosed herewith you will find a signed copy of the Three Rivers Emergency Medical Services Interlocal Cooperative Agreement. You will note that attached to the Agreement itself is an Amendment thereto, which was submitted, along with the original Agreement, at the time of introduction of the Ordinance and the Exhibit "A", which was, as you indicate, June 2, 1981.

For some reason, the package that I received from the Clerk's Office relative to the Ordinance, the Interlocal Cooperative Agreement, and The Fourth Party, Inc. Agreement did not contain the actual Amendment to Exhibit "A" that I prepared. I realize that an Amendment itself was made to the Interlocal Cooperative Agreement and that Amendment would be found on Page 6 thereof, Sub-Paragraph (b) of Paragraph 5. Also, there were certain minor amendments to the Ordinance creating and authorizing the Agreement. However, my original Amendment was submitted at the time of introduction and should be part and parcel of the Agreement. Do you think this poses any particular problem for us? Please advise.

Sincerely yours,

Bruce O. Boxberger
City Attorney
City of Fort Wayne

BOB:clc/enc.

COPY

81-014260

THREE RIVERS EMERGENCY MEDICAL SERVICES INTERLOCAL COOPERATIVE AGREEMENT

THIS AGREEMENT, made this 9th day of July, 1981, by the CITY OF FORT WAYNE, INDIANA, hereinafter referred to as "City", and provision is further made herein for the COUNTY OF ALLEN, STATE OF INDIANA, by its Commissioners, hereinafter referred to as "County", to become a party to this Agreement.

W I T N E S S E T H :

WHEREAS, the City and the County have determined that the reliable availability of quality Advanced Life Support Ambulance Service, delivered with clinically sound response time performance, is essential to the public health and safety;

WHEREAS, the City and the County have determined that the delivery of such service should not be subject to substantial interruption or deterioration in quality that would endanger the public health and safety;

WHEREAS, the City and the County find that the financial, technological, and organizational complexities of Advanced Life Support service delivery requires oversight by a public entity formed for this specific oversight purpose and that same should be governed by qualified individuals appointed to service in the public interest;

WHEREAS, the City and the County have found that the clinical complexity of an Advanced Life Support Service System requires expert and fully informed medical control and clinical

evaluation by an authorized body of physicians retained for such purposes;

WHEREAS, the City and the County have determined that the most reliable and most cost effective structure for providing and regulating Advanced Life Support Services is a combined City-County Ambulance Service System comprising uniform standards for regulation, rate-setting, and general oversight and supervision of operations;

WHEREAS, that pursuant to I.C. 16-1-39-1 et.seq., both the City and the County are authorized to establish, operate, maintain and/or contract for Emergency Medical Services;

WHEREAS, pursuant to I.C. 18-5-1.5-1 et.seq., and specifically, I.C. 18-5-1.5-3, the City and the County, respectively, are empowered and authorized to jointly provide services and facilities to the general public;

WHEREAS, the City has determined that it must proceed immediately with the implementation of a new and expanded Emergency Medical Services System;

WHEREAS, the City has made certain financial and other commitments to expedite such expansion to protect the public health and safety;

WHEREAS, in anticipation of acceptance of this Agreement by the parties, this Agreement has been prepared, even though the County's acceptance of this Agreement may come at a later date than the acceptance of this Agreement by the City;

WHEREAS, this Agreement shall become operable and binding upon the City upon appropriate action by Ordinance of the Common Council of the City of Fort Wayne and upon the execution of this Agreement by the Mayor of the City of Fort Wayne, and further, provision is herein made for this Agreement to subsequently become binding upon the County; and

WHEREAS, this Agreement is made pursuant to I.C. 18-5-1.5-1 et.seq.

NOW, THEREFORE, upon the following covenants and conditions, it is agreed:

1. FORMATION OF COOPERATIVE. The Three Rivers Emergency Medical Services Interlocal Cooperative, hereinafter referred to as "Cooperative", is hereby formed as the administrative entity to provide and oversee, in the interest of public health and safety, all aspects of ambulance operations, emergency and non-emergency.

2. MEMBERSHIP IN COOPERATIVE. Membership in the Cooperative shall be limited to local units of government, for purposes herein, defined as cities of the second, third, fourth, or fifth class, and counties in the State of Indiana.

(a) The City, through Ordinance of its Common Council, has been authorized to become a member of the Cooperative, and thus, upon execution of this Agreement by the Mayor of the City, the City shall become a member of the Cooperative;

(b) The County may become a member of the Cooperative

by taking all necessary legal action to enter into this Agreement as required by I.C. 18-5-1.5-3 and causing this Agreement to be executed by its Commissioners within sixty (60) days from date of execution by the Mayor of the City of Fort Wayne;

(c) Other local units of government eligible for membership, including Allen County, if it has not become a member within the sixty (60) day period referred to immediately above in Paragraph 2(b), may become members of the Cooperative after all appropriate legal action as required by I.C. 18-5-1.5-3 is taken and only upon unanimous consent of each Trustee of the Board of Trustees of the Cooperative as hereinafter referred to in Paragraph 4 of this Agreement;

(d) In addition, each and every member of the Cooperative to initially become a member and to remain a member in good standing of the Cooperative must adopt and become a party to this Agreement and the terms and conditions hereof, and further, each such member must adopt and enforce the Uniform Ambulance Licensing Ordinance and all Rules and Regulations thereto as promulgated, from time to time, by the Cooperative. Failure by any existing member to adopt any subsequent Rules and Regulations of the Cooperative within sixty (60) days of adoption shall cause such member to lose its membership status in the Cooperative.

3. JURISDICTION OF COOPERATIVE. The jurisdiction of the Cooperative and the terms and conditions of this Agreement and the rights, responsibilities, and services to be provided

hereunder shall extend to the boundaries of all of the members of the Cooperative, as same is or are comprised, from time to time. If the City is the only member of the Cooperative, this Agreement and the terms and conditions hereof and the services to be provided hereunder shall extend only to the corporate limits of the City of Fort Wayne, Indiana.

4. BOARD OF TRUSTEES. The Cooperative shall be governed by a Board of Trustees consisting of a Trustee (who may be an employee of the participating member) from each participating member (unit of local government as defined above); and also, a Trustee who is the Chairperson of the Quality Assurance Foundation (whose official name shall be determined at a later time, but for purposes herein, shall be referred to as "Foundation"). The Trustee from the City shall be chosen by its Mayor, for an indeterminate term, at the discretion of the Mayor.

The Chairperson of the Foundation shall automatically be a Trustee whose term shall coincide with his/her term as Chairperson of the Foundation.

If Allen County becomes a member, its County Commissioners shall appoint its Trustee, who shall serve an indeterminate term, at the discretion of said Commissioners.

Any subsequent members (cities or counties) shall have their Trustees appointed by their Mayors or Commissioners, as the case may be, said Trustees to serve indeterminate terms, at the discretion of the Mayors or Commissioners, whichever is appropriate.

Until a local unit of government is a member of the Cooperative, its designated Trustee, if designated prior to the time of membership, shall not exercise any voting rights on the Board of Trustees of the Cooperative.

5. POWERS OF COOPERATIVE. The Cooperative shall function as an administrative entity through its Board of Trustees and shall have the following powers to provide and oversee all aspects of ambulance operations, emergency and non-emergency:

(a) The Board of Trustees shall cause to be created a Uniform Ambulance Licensing Ordinance for adoption by the appropriate legislative bodies of each member of the Cooperative, which Ordinance shall contain, among other things, a provision for the charging of fees for the purpose of financial quality and physician supervision of services to be rendered.

(b) From time to time, promulgate Rules and Regulations supplemental to the Uniform Ambulance Licensing Ordinance, provided that said Rules and Regulations shall not become effective until ratified by Ordinance by the legislative body of each member of the Cooperative.

(c) Enter into an Agreement with the Foundation which will provide for medical protocols, investigations of applications for ambulance licensing or re-licensing, vehicle permits and personnel certification, performance of medical audits, investigation of consumer complaints, and general fact-finding activities necessary to expedite an informed enforcement of the Uniform Ambulance Licensing

Ordinance and all Rules and Regulations thereto.

(d) Adopt necessary By-Laws to implement the exercise of those duties, powers, rights, and responsibilities as prescribed in the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto and the terms and conditions of this Agreement.

6. MISCELLANEOUS COOPERATIVE PROVISIONS.

(a) The financing of the Cooperative shall be accomplished through adoption and charging of fees as provided for in the Uniform Ambulance Licensing Ordinance, which fees shall be paid by licensees to the Cooperative. These fees, as well as all other monies and properties received by the Cooperative, shall be received, disbursed, and accounted for by the City Controller of the City of Fort Wayne, who shall maintain a budget therefore and who shall manage said funds in strict accordance with the wishes of the members of the Cooperative. In that regard, the City Controller of the City of Fort Wayne is hereby designated as the "Disbursing Officer" of the Cooperative.

(b) Except for the Trustees, all staff of the Cooperative and the providing of all clerical support, shall be furnished to the Cooperative, without charge, by the Three Rivers Ambulance Authority, hereinafter created.

(c) The Cooperative shall not acquire, in its own name, any real or personal property, with the exception of the fees referred to above.

(d) Disposition of the Cooperative's property, upon termination of this Agreement, shall be as provided for in Paragraph 13

of this Agreement.

7. FORMATION OF AUTHORITY. It is the desire of the Cooperative that the services to be provided hereunder be so administered, regulated, and furnished in an uninterrupted, professional, efficient, and cost-effective fashion, independent, as much as is possible, from partisan or political restraints. Thus, the Cooperative does hereby create the Three Rivers Ambulance Authority (hereinafter refered to as "Authority") to provide or cause to be provided Advanced Life Support Services within the jurisdiction of the Cooperative.

8. ADMINISTRATION OF AUTHORITY. The Authority shall be governed by a Board of Directors constituted as follows:

(a) Initially and as long as the City is the only member of the Cooperative, the Board of Directors shall consist of five (5) Directors, four (4) of whom shall be appointed by the Mayor of the City, and the remaining Director shall be the Chairperson of the Foundation, whose term as a Director shall coincide with his/her term as Chairperson of the Foundation.

(i) The four (4) Directors appointed by the Mayor shall have collective expertise in the areas of: Business law; health care administration; finance; and business management.

(ii) One (1) of the four (4) Directors appointed by the Mayor shall have an indeterminate term, at the discretion of the Mayor; the remaining three (3) Directors appointed by the Mayor shall have staggered terms of one (1), two (2), and three (3) years, respectively, as originally determined by the Mayor.

(iii) The Mayor shall exercise continuing appointment authority as to the Director serving with an indeterminate term. With respect to the three (3) Directors serving defined terms, vacancies upon expiration or otherwise shall be filled by a majority vote of all of the Directors of the Authority.

(iv) In all cases, a new Director shall be selected to obtain the area of expertise no longer represented on the Board of Directors.

(v) Each Director appointed, now or in the future, under this Paragraph 8(a), with the exception of the Director who is the Chairperson of the Foundation, shall be a resident of the City of Fort Wayne.

(b) If the County becomes a member of the Cooperative within sixty (60) days from date of execution of this Agreement by the City, as prescribed in Paragraph 2(b) hereof, then the Board of Directors of the Authority, herein established in this Paragraph 8, shall be enlarged to nine (9) Directors, and the County Commissioners shall thus appoint four (4) additional Directors as herein provided, having the same collective expertise in the areas referred to in Paragraph 8(a)(i) above.

(i) Each Director appointed, now or in the future, under this Paragraph 8(b), shall be a resident of Allen County, Indiana.

(ii) One (1) of the four (4) Directors appointed by the County shall have an indeterminate term, at the discretion of the County Commissioners; the remaining three (3) Directors appointed by the County shall have staggered terms of one (1), two (2), and three

(3) years, respectively, as originally determined by the County Commissioners.

(iii) The County Commissioners shall exercise continuing appointment authority as to the Director appointed by them serving with an indeterminate term. With respect to the other three (3) Directors appointed by the County and serving defined terms, vacancies upon expiration or otherwise shall be filled by a majority vote of all of the Directors of the Authority.

(iv) In all cases, a new Director shall possess the area of expertise no longer represented on the Board of Directors or only represented by one (1) Director.

(c) If an additional unit of local government, including Allen County, if it has not become a member of the Cooperative within the sixty (60) day period provided for in Paragraph 2(b), becomes a member of the Cooperative, such additional member shall be entitled to one (1) Director on the Board of Directors of the Authority, same to be appointed by the Mayor or County Commissioners of the member, as the case may be. Any such Director must be a resident of the member unit of local government.

(d) No placement on the Board of Directors of a Director shall be effective and valid until the unit of local government in question is a member of the Cooperative as provided for in this Agreement.

9. FUNCTIONS AND POWERS OF AUTHORITY. As stated herein, it shall be the purpose and function of the Authority to provide Advanced Life Support Services to the citizens of the members of

the Cooperative. In that regard, the Authority shall do the following:

(a) The Authority shall serve as a retail provider of Advanced Life Support Emergency and Non-Emergency Ambulance Services throughout the jurisdiction of the members of the Cooperative and shall operate and provide such services pursuant to this Agreement and the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto, as adopted from time to time, by the Cooperative's Board of Trustees, and further, the Authority shall establish and charge fees for such services as necessary and appropriate to maintain the financial stability of the Authority and among other criteria, a fee for an ambulance run shall be based on the point of the run and not the residency of the citizen involved.

(b) The Authority may acquire and/or lease, in its own name, capital equipment required for such services.

(c) Notwithstanding anything herein to the contrary, the Authority shall contract with a qualified ambulance service provider (hereinafter referred to as "provider"), public or private, for the provision of professional labor and management services for operation of the Authority's ambulances, and in that regard, such provider shall use the Authority's equipment, and the provider shall serve as a wholesaler of labor and service to the Authority, and the Authority shall be prohibited from directly operating its ambulance service using its own personnel, except under circumstances which an emergency take-over of ambulance authority is deemed, by

the Authority (upon a two-thirds [2/3] vote of the Board of Directors of the Authority), as necessary to protect the health and safety of the public, and even in such emergency circumstances, the Authority shall not directly operate its ambulances for a period of more than six (6) months and shall then be required to select, by competitive procurement, a new ambulance services contractor (provider).

(d) To implement Paragraph 9(c) immediately above, the Authority shall contract with the Department of Emergency Medical Services of the City of Fort Wayne for a period of time not less than that ending through December 31, 1982, under which contract the City's Emergency Medical Services Department shall serve as an ambulance service provider within the jurisdiction of the members of the Cooperative and shall, in that regard, provide professional labor and management, drivers, paramedics, dispatching services, maintenance personnel, and shall perform miscellaneous duties in the use and operation of the Authority's equipment as a wholesaler of labor and service to the Authority. At the end of said contract with the City of Fort Wayne's Emergency Medical Services Department, the Authority may, at its option, and upon the advice of the Foundation, elect to enter into a competitive procurement for the management and labor services necessary, if the Authority believes such service is in the public interest.

(e) It shall be the responsibility of any provider, public or private, and including the City of Fort Wayne, to determine how best to meet the standards of this Agreement, the Uniform Ambulance

Licensing Ordinance, and the Rules and Regulations thereof, and any and all other appropriate standards and requirements. In that regard, any provider shall have the discretion to manage its own working force and its other responsibilities. It shall be the responsibility of the Authority, or its designatee, to ascertain whether or not any provider is meeting such standards, but not to otherwise interfere with the provider's policies and procedures and the management, hiring, payment, and direction of the provider's employees. In all cases, however, the provider's policies and procedures and the terms and conditions of employment for its employees shall be subject to all appropriate federal, state, and local law.

(f) The Authority shall establish equitable rates for services rendered by any ambulance service provider as licensed and shall bill and attempt collection for services rendered in a manner which will maximize revenues from third party payors (e.g., Medicare, Medicaid, private insurance companies, and the like) in a manner which prevents the subsidization of services rendered in one jurisdiction from subsidies being provided by another jurisdiction. In establishing its rate structures for services rendered throughout the various jurisdictions of the members of the Cooperative, the Directors of the Authority shall employ accounting systems and procedures which have the effect of establishing separate charges for services in each jurisdiction at a level sufficient to cover the Authority's cost of rendering such service to each jurisdiction adjusted to account for the

respective collection rates experienced by the Authority among the jurisdictions of the members of the Cooperative, and any local tax subsidy paid the Authority by the members or any member of the Cooperative.

(g) The Authority shall establish its own budget and may accumulate a net worth and operating capital or equity in property or combinations thereof not exceeding, however, the then current budget of the Authority as established.

(h) The City of Fort Wayne has previously contracted with The 4th Party, Inc. to perform consulting services and to develop and operate the data, billing, and collection system for the Authority, created hereunder, and the City has arranged, in that regard, for the financing and purchase of ambulances and communication equipment for use by the Authority, and the Authority shall assume such contractual commitments, including the contractual commitments to The 4th Party, Inc.; provided, however, that should the Directors of the Authority elect to terminate the contractual relationships with The 4th Party, Inc., they may do so by a majority vote of the then currently appointed and serving Directors, however, all sums then due and owing to The 4th Party, Inc. shall be paid to The 4th Party, Inc. by the Authority.

(i) The Authority may enter into separate agreements with townships to provide or cause to be provided to townships services in addition to those services that would otherwise be provided hereunder. However, townships shall not be parties to this Agreement, and thus,

shall not be members of the Cooperative, and accordingly, shall not be entitled to representation on the Cooperative's Board of Trustees or on the Authority's Board of Directors. Any such additional services to be provided to townships shall be financed by a higher rate charged in the townships and/or subsidies from the townships in question.

(j) The Board of Directors of the Authority shall adopt all necessary By-Laws to perform the above and foregoing; provided, however, that the Authority's powers shall not be greater than nor be in derogation of the terms and conditions of this Agreement, nor in contravention of the Uniform Ambulance Licensing Ordinance and the Rules and Regulations thereto, as adopted from time to time by the Cooperative.

10. ASSIGNMENTS. In consideration of the services to be provided by the Authority hereunder and to initially implement the providing of such services, the City agrees as follows:

(a) To assign all of its right, title, and interest in and to all of its ambulance and related equipment to the Authority.

(b) All present accounts receivable generated by the City under the Common Council's Ordinance known as Bill No. S-81-3-47 shall be assigned by the City to the Authority, and any and all subsequent billings under said Ordinance shall inure to the benefit of and shall be the property of the Authority.

(c) This year's remaining balance of the City's budget for ambulance services and a negotiated amount (between the City and the Authority) of such budget for the City's fiscal year of 1982 shall

be paid by the City to the Authority, subject to all appropriate budgetary procedures.

11. PERIODIC REVIEW. The Cooperative herein designates the City Controller of the City of Fort Wayne to periodically review the books and records and data of the Authority and its operations to assure compliance with the terms and conditions of this Agreement, any separate agreements, the Uniform Ambulance Licensing Ordinance and all Rules and Regulations thereto. Such review may be conducted by the City Controller at times and places that he/she deems best.

12. INDEMNITY. The Authority, in all of its acts, undertakings, contracts, operations, omissions, and the like shall, to the extent of the Authority's assets and property, indemnify and hold harmless the Cooperative and all of its members from and against any and all liability of any kind or character, including attorney fees.

13. TERMINATION. This Agreement shall remain in effect for a period of twenty (20) years from date of execution by the City, subject to renewal by the members of the Cooperative, unless sooner terminated as herein provided.

(a) Any member of the Cooperative may withdraw its membership in the Cooperative, by appropriate action of the Mayor or County Commissioners of said member, as the case may be, by delivering written notice of such intention to withdraw to the Board of Trustees of the Cooperative at least thirty (30) days prior to the effective date of such withdrawal. Upon withdrawal from the Cooperative, the withdrawing member's representative(s) on the

Cooperative's Board of Trustees and on the Authority's Board of Directors shall automatically be removed. The Cooperative shall continue to function upon the withdrawal of a member as provided for in this Agreement but only in the jurisdiction of the remaining member(s). Provided, however, and notwithstanding anything herein to the contrary, if the City withdraws from the Cooperative, this Agreement shall terminate.

(b) Upon the termination of this Agreement, the Cooperative and Authority herein created and all other Boards and Foundations formed hereunder or because of this Agreement and all other contracts entered into because of this Agreement and all responsibilities hereunder shall cease and terminate.

(c) Because of the City's financial contributions, as aforedescribed, upon termination of the Agreement, all money, property, assignments, and other assets of the Cooperative and all money, property, assignments, and other assets of the Authority shall revert to the City of Fort Wayne. Thus, any money, property, assignments, or other assets of either the Cooperative or the Authority shall be subject to this right of reversion to the City of Fort Wayne as herein referred to.

14. AMENDMENT. This Agreement may be amended only in writing and only by a unanimous vote of all members of the Board of Trustees of the Cooperative.

15. MISCELLANEOUS.

(a) A copy of this Agreement shall be filed with the State Board of Accounts of the State of Indiana for audit purposes

no later than sixty (60) days after execution of same by the City.

(b) This Agreement, upon execution by the City and prior to the effectiveness of same, shall be recorded with the Recorder of Allen County, Indiana. This Agreement shall be deemed recordable even though the City is the only party to this Agreement that has executed same at the time of recordation.

(c) This Agreement, and the terms and conditions hereof, shall be subject to the Rules and Regulations and supervision of the Indiana Emergency Medical Services Commission and shall be further subject to any appropriate review, approval, or regulation as provided for by I.C. 18-5-1.5-3(g).

(d) This Agreement shall be construed in accordance with the laws of the State of Indiana.

(e) If any part or provision of this Agreement is rendered unenforceable or invalid, this Agreement shall be construed without such unenforceable or invalid part or provision.

(f) The duties, rights, and responsibilities and services to be provided hereunder shall not be exercised in any fashion that would discriminate against any person, firm, or entity in any fashion that would violate federal, state, or local law, and it is the right and responsibility of all parties hereto not to so discriminate in any fashion that would so violate federal, state, or local law.

(g) Even though this Agreement has been executed pursuant to I.C. 18-5-1.5-1 et.seq., this Agreement shall remain in full force and effect even if the City is the only party hereto, and thus, the

only member of the Cooperative.

(h) This Agreement may be executed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, this Agreement has been signed the dates indicated below.

CITY OF FORT WAYNE, INDIANA

DATED: July 9, 1981

BY: _____
Winfield C. Moses, Jr., Mayor

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this 9th day of July, 1981, personally appeared the duly constituted, authorized, and elected Mayor of the City of Fort Wayne, Winfield C. Moses, Jr., and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

My Commission Expires:

January 24, 1983

_____
Cynthia L. Cobb, Notary Public

My County of Residence:

Allen

COUNTY OF ALLEN, STATE OF INDIANA

DATED: _____ BY: _____

DATED: _____ BY: _____

DATED: _____ BY: _____

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this _____ day of _____, 1981, personally appeared the duly constituted, authorized, and elected County Commissioners of the County of Allen, State of Indiana, _____ _____, _____, _____, and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

My Commission Expires:

_____

_____
Notary Public

My County of Residence:

_____

This instrument prepared by Bruce O. Boxberger, City Attorney for the City of Fort Wayne, Indiana.

AMENDMENT TO THE
THREE RIVERS EMERGENCY MEDICAL
SERVICES INTERLOCAL COOPERATIVE AGREEMENT

This Amendment is made this 9th day of July, 1981, to the THREE RIVERS EMERGENCY MEDICAL SERVICES INTERLOCAL COOPERATIVE AGREEMENT (hereinafter referred to as "Agreement")

WITNESSETH:

1. Paragraph 6 of the Agreement entitled "MISCELLANEOUS COOPERATIVE PROVISIONS" is hereby amended by adding thereto subparagraph (e), as follows:

(e) The City will provide all legal assistance required for the implementation of this Agreement and further the City will provide any and all necessary legal assistance relative to the operations of the Cooperative.

2. Paragraph 7 of this Agreement entitled "FORMATION OF AUTHORITY" is hereby amended by replacing therewith the following:

7. FORMATION OF AUTHORITY. It is the desire of the Cooperative that the services to be provided hereunder be so administered, regulated, and furnished in an uninterrupted, professional, efficient, and cost-effective fashion, independent as much as is possible, from partisan or political restraints. Thus, the City and any subsequent members of the Cooperative, in conjunction with the Cooperative hereby create the Three Rivers Ambulance Authority (hereinafter referred to as "Authority") to provide or cause to be provided Advanced Life Support Services within the jurisdiction of the Cooperative.

3. Paragraph 13 (c) (main paragraph entitled "TERMINATION") is hereby amended by replacing therewith the following:

(c) Because of the City's financial contributions, as aforedescribed, upon termination of this Agreement within ten (10) years from date

of execution of this Agreement by the City, all money, property, assignments, and other assets of the Cooperative and all money, property, assignments, and other assets of the Authority, shall revert to the City of Fort Wayne. If this Agreement is terminated after the expiration of ten (10) years from date of execution by the City, then all such money, property, assignments, and other assets of the Cooperative and the Authority shall revert to the members of the Cooperative based upon and in percentages determined by the respective populations of each such member. In all cases, however, and notwithstanding any language herein to the contrary, the City shall receive no less than what it has contributed to the Cooperative and/or Authority hereunder. For purposes herein, the population of the County shall not include the population of the City of Fort Wayne or any other incorporated City in Allen County.

4. In all other respects, all other terms and provisions of the Three Rivers Emergency Medical Services Interlocal Cooperative Agreement are hereby ratified and reaffirmed.

IN WITNESS WHEREOF, this Amendment has been signed the dates indicated below.

CITY OF FORT WAYNE, INDIANA

DATED: July 9, 1981

BY: _____
Winfield C. Moses, Jr., Mayor

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this 9th day of July, 1981, personally appeared the duly constituted, authorized, and elected Mayor of the City of Fort Wayne, Winfield C. Moses, Jr., and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

Cynthia L. Cobb, Notary Public

My Commission Expires:
January 24, 1983

My County of Residence:
Allen

COUNTY OF ALLEN, STATE OF INDIANA

DATED: _____ BY: _____

DATED: _____ BY: _____

DATED: _____ BY: _____

STATE OF INDIANA)
) SS:
COUNTY OF ALLEN)

Before me, the undersigned, a Notary Public, in and for said County and State, this _____ day of _____, 1981, personally appeared the duly constituted, authorized, and elected County Commissioners of the County of Allen, State of Indiana, _____, _____, _____, and acknowledged the execution of the above and foregoing.

WITNESS my hand and official Notarial Seal.

_____
Notary Public

My Commission Expires:

_____

My County of Residence:

_____

This instrument prepared by Bruce O. Boxberger, City Attorney for the City of Fort Wayne, Indiana.

PROFESSIONAL SERVICES CONTRACT

THREE RIVERS AMBULANCE SERVICE SYSTEM

This contract, entered into by and between the City of Fort Wayne, Indiana, hereinafter referred to as the "City", and The Fourth Party, Inc., a Missouri Corporation, hereinafter referred to as the "Company";

WITNESSETH:

WHEREAS, the City has recently completed an extensive review of its ambulance services operations and the options available to the City for substantially upgrading the clinical performance, response time performance, and financial performance of the ambulance service system currently serving the citizens of Fort Wayne; and

WHEREAS, the City has found that its citizens do not now have benefit of an ambulance service system capable of reliably delivering state-of-the-art advanced life support clinical care, with clinically acceptable reponse time performance, and that as a result the citizens of Fort Wayne are currently and regularly exposed to poor response time performance, and other performance factors, which subject these citizens to unacceptable and unnecessary risks of morbidity and mortality in emergency medical circumstances; and

WHEREAS, the City has previously retained the Company to assist the City in analyzing the City's findings, as well as the findings from studies done by other groups within the City, to work out a plan for both immediate and long-term upgrading and expansion of ambulance services quality and response time performance, including a means of bringing about such improvement both with and without county participation, at the option of the County Commissioners, and including the development of a structure which would effect the establishment of non-political clinical and financial oversight of system operations at levels of local tax subsidy equal to or less than current levels of subsidy; and

WHEREAS, the City has found that, in order to achieve the improved levels of performance desired by the City, within the financial constraints of the local tax subsidy and the fee-for-service financing mechanisms of the ambulance service industry, an organizationally and financially complex structure must be developed and successfully implemented, as generally described in the documents entitled "The Fourth Party Memorandum dated April 10, 1981 to Mayor Moses, Explanation of General Organizational Structure and Cash Flow of Proposed EMS System", "Policy Issues and Recommendations -- Fort Wayne EMS System, dated January 27, 1981", and the "Draft Ordinance and Interlocal Cooperation Agreement" prepared by the City Attorney with consultant assistance provided by the Company, which three documents are hereby attached hereto and expressly incorporated into this agreement as Attachment 1, Attachment 2, and Attachment 3, respectively; and

WHEREAS, the City has found that certain immediate changes in the City's ambulance services operations are essential to protect the public health and safety, while the orderly yet rapid implementation of the proposed system structure is also essential to the continued upgrading and expansion of services, as well as stable financial performance of the expanding system; and

WHEREAS, the City has found that the management and administration of these financial, organizational, and operational changes require specialized, experienced, and highly expert professional personnel, to insure that this complex developmental process occurs in an orderly manner and within the constraints of budget and cash flow considerations; and

WHEREAS, the City has found that the Company has rendered similar professional services for other cities engaging in similar developmental processes, and that the Company has, in the opinion of these previous clients, performed its duties in an entirely professional and acceptable manner; and

WHEREAS, the Company is willing and able to perform the various professional services which are the subject of this contract, and has already initiated the performance of these services, at the request of the City, and in anticipation of execution of this agreement;

NOW, THEREFORE, the City has elected to procure, by way of this contract, professional consulting services and related data, billing, collection, and financial management services from the Company as described herein.

ARTICLE I. EMPLOYMENT OF THE COMPANY

The City hereby employs the Company to perform the managerial, administrative, technical, financial, and other professional services as set forth in Article V, hereof.

ARTICLE II. ASSIGNMENT OF CONTRACT TO THREE RIVERS AMBULANCE AUTHORITY

A. The parties understand and agree that it is the intention of the City to establish the Three Rivers Ambulance Authority, hereinafter referred to as the "Authority". Furthermore, it is the intention of the City to transfer resonsibility for overall operation of all business aspects of the ambulance service system to the Authority, with the City's EMS Department to serve as a subcontractor to the Authority for the provision of certain operational services.

B. The parties hereby agree that this contract may be assigned, in its entirety, to the Authority, provided that the Authority must, in it's acceptance of such assignment, agree to accept all obligations of the City as described in this contract, including the financial obligations, and provided that, should the Authority fail to meet any of the assigned financial obligations to the Company, the City shall remain liable to the Company for payments existing at the time of assignment.

C. The above provisions of this Article II notwithstanding, the Company hereby accepts and agrees that, within thirty (30) days after assessment of the Authority's initial Board of Directors, the Board of Directors may, at its option, by majority vote, elect to terminate this agreement. If such decision to terminate this agreement is made, the Company shall compile and present to the Directors and to the City a detailed listing of services rendered by the Company then-to-date, including the Company's expenses, incurred in the performance of those services, and shall present such itemized invoice to the City, billing for professional services at the Company's standard hourly rates, plus expenses incurred, plus a stipulated and hereby mutually agreed upon early termination charge of sixty thousand dollars ($60,000).

D. The City furthermore hereby authorizes and directs the Company to use its best professional judgment in incurring certain reasonable and appropriate long-range financial commitments as necessary to the immediate implementation of the data, billing, collection, and accounts receivable operations of the ambulance services system subject to the approval of the City or the Authorities as the case may be and such approval shall not be reasonably withheld. Such long-range financial obligations to be incurred by the Company may include, but not limited to; commitments related to computer equipment leasing or purchasing, facilities utilization contracts, contracts or purchase of billing statements, envelopes, and other printed materials necessary for the operation of the data, billing, and collection systems, hiring of additional personnel, including a billing system manager, patient accounts supervisors, and data entry personnel, acquisition of telephone service for administrative purposes (e.g., for telephone folowups for collections), acquisition of a Post Office Box, establishment of a bank account in the name of the Ambulance Authority, and other longer term commitments necessary to the ongoing operation of the data, billing, collection, and patient accounts management services. In addition, the Company is hereby authorized and directed to act, on behalf of the Authority, with Medicare, Medicaid, and third-party payors and other similar organizations as necessary and appropriate to the rapid development of an effective billing and collection system. In the event the Directors of the Authority should elect to terminate this contract, as provided for in this Article II, the Company shall allow either the Authority or the City, at the City's option, to negotiate with the Company to assume all of the Company's obligations and commitments as generally referred to in this paragraph, or to otherwise satisfy the Company's incurred obligations so as to completely absolve the Company from any obligation relative to the kinds of commitments incurred by the Company as authorized under this paragraph.

ARTICLE III. TERM OF AGREEMENT

A. This agreement shall expire three (3) years from the date of execution by the parties, or if this agreement is assigned to the Authority, then three (3) years from the date of expiration of the Authority's 30-day option to terminate this agreement. The previous sentence notwithstanding, all work performed by the Company in the interest of ambulance system development for the City of Fort Wayne, Indiana, prior to executed hereof, shall be considered to have been rendered pursuant to this agreement for purposes of payment.

B. Upon the expiration of this agreement the Authority may, at its option:

1. Extend this agreement upon terms and conditions they agreed to by the Authority and the Company at that time; or

2. Procure competitive bids for services to be rendered; or

3. Render such services itself, in which event the Authority may hire employees of the Company who have previously performed services hereunder, purchase Companies equipment used in the performance of duties hereunder at depreciated book value, assume Companies leases and/or other contractual arrangements, and also the authority shall have a perpetual right to use company software, without cost with the exception of payment of lease payments to IBM, which shall be paid for by the Authority. Provided, however, that only the Authority or the City may use such software and the Authority or the City, whichever is appropriate, shall use its best efforts to protect the Companies proprietary rights in such software. The Company shall sign any documents of assignment needed to affecuate the above and foregoing.

ARTICLE IV. RELATIONSHIP OF THE COMPANY TO THE CITY AFTER ASSIGNMENT OF THIS CONTRACT TO THE THREE RIVERS AMBULANCE AUTHORITY

In the event this contract is assigned to the Authority, the Company shall continue to provide, at no cost to the City, reasonable and appropriate general management consulting services to the City's Department of Emergency Medical Services in order to assist that Department in achieving the required increased levels of clinical and response time performance required by the terms of its contract with the Authority, so long as the City's EMS Department serves as subcontractor to the Authority.

ARTICLE V. SCOPE OF SERVICES

The Company agrees to exert its best professional efforts to perform and carry out in a satisfactory manner the services set forth below. Prior to or in lieu of assignment of this contract to the Authority,

the Company shall report to and receive policy-level direction from a Contract Officer designated by the Mayor. After assignment of this contract to the Authority, this function shall be performed by the Chairperson of the Authority's Board of Directors acting in conformance with policies established by the Board of Directors.

A. Facilities Management and Related Consulting Services.

Throughout the term of this agreement, the Company shall provide management oversight services to the Authority's Board of Directors on all issues related to the developmental and ongoing operations of the Authority's ambulance service system requiring policy decisions. This shall include all normal, ordinary and required functions of the professional staff of a large advanced life support ambulance services operator.

B. Data Entry, Data Processing, Billing, Collection, and Patient Patient Accounts Management Services.

The Company shall also provide complete data entry, data processing, billing, collection, and patient accounts management services to the Authority. In addition, the Company shall maintain an intimate professional knowledge of developments at the national and state levels as regards Medicare, Medicaid, Veterans Administration programs, and other health care financing issues which may affect the Authority's financial well-being, and shall advise the Trustees concerning the need for official action by the Authority in both public and private health care financing programs. The data collection and data processing services to be rendered by the Company shall be of the type and extent previously developed and implemented by the Company for use in the Tulsa, Oklahoma EMS System in monitoring and analyzing reponse time performance, clinical performance, financial performance, as well as in providing essential data for operation of a professional medical billing system. The software utilized by the Company is based upon a standard IBM medical package which has been substantially modified by the Company for purposes of ambulance services operations. In addition, this data system utilizes a separate statistical service developed by the Company for purposes of statistical analysis of various factors influencing both the efficiency and performance effectiveness of the operation and for analyzing performance problems for corrective purposes.

C. Development and Approval of Financial Management Practices, Standards, and Procedures.

Within the first ninety (90) days after the inital organizational meeting of the Authority's Board of Directors, the Company shall present to the Directors fully detailed recommended policies and procedures for all aspects of the financial management and administration of the Authority's operations, for approval or revision. Such procedures shall be based upon the financial management procedures currently employed in the Tulsa EMS System, which procedures were originally developed by the Company and which have been found to be extremely successful in controlling costs, generating

revenues, and providing for a high level of both clinical and financial accountability. Should any revisions in such procedures which may be required by the Directors result in substantial increased costs to the Company over and above the standards and procedures which shall be recommended by the Company, the Company may negotiate with the Directors to allow a reasonable increase in the Company's compensation for these data, billing, and collection services.

D. The Company shall provide:

1. Senior consulting services of not less than fifteen (15) professional personal-days per month for the first six months of the contract to provide more intensive professional oversight during the most critical phase of the developmental process; and from the seventh through the eighteenth months of this contract, the Company shall provide not less than ten (10) professional senior consultant person-days per month; and during the remaining months of the contract, the Company shall supply not less than five (5) professional senior consultant person-days per month. Manpower furnished as "senior consultants" shall be fully qualified and experienced, shall be under the direct supervision of the President of The Fourth Party, and shall be assigned to perform any and all consulting tasks as necessary and appropriate to the successful development and operation of the Three Rivers EMS System, as guided by the policies established by the Board of Trustees. Not less than fifty percent (50%), of these senior consultant services shall be performed on-site in Fort Wayne.

2. The Company shall furnish the services of a qualified Administrator who shall serve as full-time Administrator to the Authority, and who shall be a resident of Allen County. This individual shall have extensive credentials and work experience in the financial management of complex industrial operations, and shall be fully trained by the Company in the operation of the data, billing, and collection systems developed by the Company, and shall be supervised and, from time to time, assisted by senior consultants of the Company as necessary and appropriate. This individual shall directly administer the routine day-to-day financial affairs of the Authority, and shall supervise data entry and collection personnel furnished by the Company and shall have ready access to advice and consultation from the Company's senior consultant staff at all times. While this Administrator shall serve in a full-time capacity in the performance of work under this contract, the Company reserves the right to occasionally utilize that individual for other minor consulting activites, so long as this Administrator provides on-site services in Fort Wayne averaging forty (40) hours per week, and so long as such other consulting activities do not interefere with the Administrator's performance of his or her duties as Administrator for the Authority.

3. The Company shall furnish as needed one full-time data entry clerk/secretary and two full-time patient accounts managers, who shall be trained by the Company and supervised by the Administrator, and who shall conduct all billing and collection activities in strict conformance with policies established by the Authority.

4. The Company shall furnish all required computer hardware and peripheral devices, as well as required software for the operation of the data, billing, and collection system. The Company reserves the right to make all decisions concerning personnel furnished by the Company, as well as hardware configurations to be employed, software changes, and any and all other decisions affecting the Company's ability to perform the required data billing, and collection services, or which may affect the Company's costs of performing such services. In this regard, the Company shall be held accountable for results, and shall be free to exercise its own professional judgement in determining the most cost-effective manner in which to achieve those results. The Company shall also supply the use of its own computer software for the Apple dispatch computer, and shall also supply its own software for statistical analytical purposes. In addition, any software lease payments to IBM or other software owners necessary to the operation of the system shall be paid by the Company. All such software furnished by the Company is proprietary in nature, and may not be otherwise utilized by the City or by the Authority or by any other party without the expressed written consent of the Company, except as otherwise provided for in article III B of this agreement.

5. The Company shall furnish personnel, hardware, software, and expenses as described under Items 1 through 4, immediately above, and any additional services furnished by the Company at the request of the Authority shall be furnished at an additional mutually agreed upon negotiated charge, unless otherwise agreed to by the Company. Furthermore, all other costs necessary to the operation of the Authority's ambulance service system shall be borne by the Authority, including but not limited to those expense items identified under Paragraph E, immediately below.

E. <u>The Authority shall provide</u>:

Adequate office space, office furniture, utilities, maintenance, telephone service, authorized supplies, forms, stationery, envelopes, postage, outside accounting services, legal services, and all other office supplies and factors of production which are reasonable and necessary to the day-to-day administration of a large advanced life support ambulance system. Office space, utilities, and clerical staff may be shared by the Company and the Cities department of EMS.

F. Scheduled Implementation Anticipated.

The parties understand and agree that full-scale implementation of all aspects of the planned ambulance service system will require approximately 18 months of intensive developmental activities, and that certain activities shall be given a higher priority than other activities as necessary to effect the most rapid possible expansion and upgrading of the ambulance service production capacity. In that regard, the Company shall immediately proceed with development and implementation of a basic, but effective, billing and collection system, and shall assist the City's EMS Department with its developmental activities in order to provide both the financing and organizational methods for alleviating, as quickly as possible, the most critical performance problems of the current EMS system. At the same time, the Company shall be expected to attend numerous meetings with individuals and organizations concerned about the developmental processes which are the subject of this contract, especially meetings necessary to gaining a fully informed decision by the County Commissioners concerning participation in a countywide EMS system. After these inital high priority developmental activities have been completed or are satisfactorily underway, the Company shall then develop, in cooperation with the Authority's Board of Directors, a detailed plan of additional developmental activities to be carried out by or at the direction of the Company, to further refine, improve, and stabilize the entire EMS system. After the eighteenth month of this contract, it is anticipated that nearly all major aspects of system development shall be complete, and that except for occasional "trouble-shooting", refinement, and possible activities related to further expansion of the geographic area served by the Authority, the Company's ongoing activities shall involve more routine management and administration of the fully-developed advanced life support EMS system.

ARTICLE VI. COMPENSATION AND METHOD OF PAYMENT

The prices identified in this Article VI, below, relate to services to be provided by the Company as more specifically defined in Article V, "Scope of Services", particularly Paragraph D, Items 1 through 5, of that Article V.

A. Pricing Method to be Employed.

Invoicing and payment provisions to be employed under this contract shall be based upon the following rates charged by the Company:

1. For senior consulting services, the Company shall charge at the rate of $70 per hour, including indirect costs and Company overhead. For the first six months under this contract,

the Company shall furnish and bill for 15 senior level consultant person-days per month, or 120 hours per month. For months seven through twelve, the Company shall furnish and bill for ten senior person-days per month, or 80 hours per month. For months 13 and on through the end of this contract, the Company shall furnish and bill for five senior level person days per month, or 40 hours per month.

2. The Company shall be reimbursed for authorized travel expenses.

3. Should the Authority's Board of Directors request that the Company perform additional services on behalf of the Authority which may appropriately require expenditures of time in excess of that furnished under the regular payment provisions of this agreement, the Company shall separately negotiate with the Authority to reach a mutually acceptable provision for payment for such excess services. No such additional services shall be furnished or billed for by the Company without the prior expressed written consent of the Authority's Board of Directors.

4. For all data, billing, and collection services furnished by the Company, including the services of the Administrator furnished by the Company, the Company shall be paid a fee equal to $10 per "billable run." A billable run is defined as any ambulance run for which a bill shall be generated in accordance with billing policies established by the Authority's Board of Directors. Provided, however, that the Company shall be paid for not less than 1,000 billable runs per month, even if actual billings during any month were for less than 1,000 billable runs.

5. Inflation adjustment. At the end of the first 12 months of this contract, and again after the first 24 months of this contract, all prices identified in this Article VI shall be increased by an automatic inflation adjustment factor equal to 80 percent of the increase in the Labor Department's Consumer Price Index for the same period of time.

B. Method of Payment

For services rendered by the Company pursuant to this agreement, the Company shall invoice the City, or after assignment the Authority, once per months for services rendered during the preceding calendar month, and the Company shall be paid within 15 days after receipt of invoicing by the City, or after assignment by the Authority. Provided, however, that for services rendered to the City pursuant to the special ordinances attached hereto as Attachments 4, 5, and 6, as also described in Article V, Paragraph D of this contract, the Company shall bill the City a total amount not to exceed $25,000, and the City shall withhod $5,000 of that amount pending completion of that work by the Company. For

services rendered by the Company after execution of this agreement by the City, the Company shall bill the City, and after assignment the Authority, as provided for under Paragraph A of this Article VI, above, provided, however, that all such payments made to the Company shall be made from revenues collected on behalf of the Authority by the Company, and until sufficient revenues have accumulated to make such payments to the Company, the payments to the Company shall be delayed without penalty or interest. In that regard, the Company understands and accepts that all financial obligations to the Company pursuant to this contract, except for the $25,000 approved by the attached special ordinances passed by the City Council, shall be subject to availability of funds from ambulance services billings and collections, and the Company hereby acknowledges and accepts any risks which may be associated with this stipulation. Provided, however, that in the event this agreement is terminated as provided for in Article II of this contract, the obligation of the Authority and the City to reimburse the Company as provided for in Article II of this contract shall not be subject to availability of funds from ambulance services billings and collections. And provided further that the first payment to be made each month from the revenues collected from ambulance services billings shall be made to the Company, and no other payments shall be made from such funds during any month unless the payments owed the Company pursuant to this contract have first been made current.

ARTICLE VII. PERSONNEL

A. Personnel furnished by the Company in performance of work pursuant to this contract shall not be employees of the City of Fort Wayne or the County of Allen, or employees or officials either elected or appointed by the City or by the County.

B. All of the services required hereunder shall be performed by the Company or under its direct supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under federal, state, and local law to perform such services.

ARTICLE VIII. RECORDS AND AUDITS

The Company shall maintain complete and accurate records with respect to the performance of this contract. All such records shall be maintained in accordance with generally accepted business and accounting procedures and shall be clearly identified and readily accessible. The Company shall provide free access to the representatives of the City or the Authority at all proper times to such books and records, and the right to examine and audit the same, and make transcripts therefrom as necessary to allow inspection of all work, data, documents, proceedings, activities, and reports related to this contract for a period of three months from the date of final payment under this contract.

ARTICLE IX. CIVIL RIGHTS

During the performance of this contract, the Company, for itself, its assignees and successors in interest, agrees that, with regard to the work performed by it after award and prior to the completion of this contract, it will not discriminate on the grounds of race, color, sex, age, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. In all solicitations, either by competitive bidding or negotiation made by the Company for work to be performed under a subcontract, including procurement of labor, materials, or equipment, each potential subcontractor or supplier shall be notified by the Company of the Company's obligations under this contract relative to nondiscrimination on the grounds of race, color, sex, age, or natinal origin. In the event of the Company's noncompliance with the nondiscrimination provisions of this contract, after execution of this contract by the parties, the City shall impose such contract sanctions as it may determine to be appropriate, including but not limited to (a) witholding of payments to the company under the contract while the Company complies; and/or (b) cancellation, termination, or suspension of the contract, in whole or in part.

ARTICLE X. RESPONSIBILITY FOR CLAIMS AND LIABILITY

The Company shall indemnify and hold harmless the City and all of its employees (including attorneys' fees), and after assignment the Authority, its Directors, agents, and employees from against all claims or suits made or brought for injuries to persons or property caused by the Company, its agents or employees in the performance of work under this contract. The City, and after assignment the Authority, agree to indemnify and hold harmless the Company, its employees, officers, and directors from all liability, costs or expenses, including but not limited to attorneys' fees or judgements, which may arise by reason of litigation instituted by any third person(s) or entity(ies), excluding agents or employees of the Company, which alleges liability by reason of the Company's business or contractual relationship with the City and/or the Authority.

ARTICLE XI. CHANGES

It is mutually understood and agreed that due to the extensive, complex, and time-critical nature of the work to be performed pursuant to this contract, certain unforeseen tasks and responsibilites may arise which may be found to be critical to the successful completion of this contract. In such instances, the City, and after assignment the Authority, may require changes in the scope of the services and the time of performance as set forth herein. Such changes, including any increase or decrease in the amount of compensation to the Company, shall be incorporated as written amendments to this contract. The said increase or decrease in compensation, as the case may be, shall be mutually agreed upon by the parties hereto before performance of the work. Except as may be otherwise provided for herein, no payment for any "extras" shall be made unless and until such "extras" and the price therefore have been authorized in writing by the City, or after assignment by the Authority.

ARTICLE XII. INTERESTS OF MEMBERS OF THE CITY AND THE COUNTY AND OTHERS

No elected official, or employee of the City of Fort Wayne or Allen County and no member of their governing bodies nor other public officials of the governing bodies of the City or the County in which the work pursuant to this contract is being carried out, who exercises any functions of responsibility in the review or approval of the undertaking or carrying out of the aforesaid work, shall:

A. Participate in any decision related to this contract which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she has, directly or indirectly, any interest; or

B. Have any interest, direct or indirect, in this contract or the proceeds thereof.

ARTICLE XIII. INTEREST OF THE COMPANY

The Company hereby covenants that it has, at the time of execution of this contract, no interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed purusant to this contract. The Company further convenants that in the performance of this work no person having any such interest shall be employed.

ARTICLE XIV. RIGHTS TO AND DISPOSITION OF DATA

The term "subject data" as used herein includes all data, written materials, photographs, drawings, or other information collected or created under this contract whether delivered under this contract or not. The term does not include the Company's financial records or accounting records, or trade secrets of the Company related to computer software previously developed and owned by the Company. All subject data shall be retained by the Company during the course of the work. Subject data shall be available for study and utilization by the City for a period of three months after completion of this contract. After completion of the contract, the Company shall have the right to publish, duplicate, or release the "subject data" for the Company's purposes in advertising, technical writing, and in assisting other clients of the Company.

ARTICLE XV. JURISDICTION

This agreement and all of the terms and provisions hereof shall be construed in accordance with the laws of the United States, the State of Indiana, and the City of Fort Wayne. Invalidity of any provision hereof shall not affect the validity of any portion of this agreement.

ARTICLE XVI. SUCCESSORS AND ASSIGNS

Each of the parties hereto hereby binds itself, its successors, assigns, and legal representatives to the party, its successors, assigns, and legal representatives to this contract in respect to all covenants of this contract. And provided further that, with regard to provisions affecting the Company set forth in Article II relating to optional termination of this contract by the Authority, and in regard to Article X regarding indemnification.

ARTICLE XVII. COVENANTS AGAINST CONTINGENT FEES.

The Company warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Company, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person other than bona fide employee working solely for the Company, any fee, commission, percentage, brokerage fee, gifts, or other consideration upon or resulting from the award or making of this contract. For a breach or violation of this warranty, the City shall have the right to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, or brokerage fee, gifts or contingent fee.

ARTICLE XVIII. COST OF ENFORCEMENT

In the event it becomes necessary for the City, the Authority, or the Company to institute suit against the other to secure or protect its rights under this agreement, the prevailing party shall be entitled as part of any judgement rendered in its favor, to reasonable attorneys' fees not to exeed, however, the sum of $10,000. All parties shall have all rights and remedies as provided in law or equity.

ARTICLE XIX. MISC.

All employees of the Company shall furnish bond in a reasonable amount as determined by the City or the Authorities, as the case may be. Furthermore, the Company shall provide sufficient insurance coverage insuring its property and insuring against liabilities for injuries to person or property in amounts reasonably determined by the City or the Authority, as the case may be.

IN WITNESS WHEREOF, the City and the Company have executed this contract on this _____ day of _____, 1981.

CITY OF FORT WAYNE

By _____
Mayor

By _____
Board of Public Safety

By _____
Board of Public Safety

By _____
Board of Public Safety

THE FOURTH PARTY, INC.

By _____
Jack L. Stout, President

By _____
Cherry F. Downs, Secretary

Fort Wayne Medical Society

2414 E. STATE, SUITE 303 • • • 219/482-4589
FORT WAYNE, INDIANA 46805

LARRY L. PICKERING
EXECUTIVE DIRECTOR

June 16, 1981

Mr. John Nuckols
President
Fort Wayne City Council
City-County Building
Fort Wayne, Indiana 46802

Dear Mr. Nuckols:

Mayor Winfield Moses has requested the Fort Wayne Medical Society to conduct an impartial review of the allegations against Mr. Jack Stout and his work. I have, therefore, directed Dr. Jerald Andrew, Chairman of the Fort Wayne Medical Society EMS Liaison Committee, to conduct this review; and the attached documents are the result of this investigation.

We hope this information will be of value to you and the other members of the Council in your deliberations.

Sincerely,

Thomas A. Felger M.D.

Thomas A. Felger, M.D.
President

TAF/cb

ALLEGATIONS AGAINST JACK STOUT AND HIS WORK, MADE TO CITY COUNCIL TUESDAY, JUNE 9, 1981, AND RESULTS OF INQUIRY CONCERNING EACH POINT MADE BY MR. FLECK.

This inquiry has been restricted to specific points made by Mr. Fleck in regard to Jack Stout and his work in conjunction with the Tulsa EMS system and recent work with the Fort Wayne EMS project.

> FLECK'S STATEMENT: "Here's how they do it; here's how they did it in Tulsa: In Tulsa the private provider had Cadillac hearses which were built up on top. They had all the proper equipment in them. They were perfectly safe for Cadillacs -- big vehicles. Jack Stout's requirements in certification area say you can't have those any more to be a provider. What you have to have are Chevy chassis with aluminum boxes . . . The aluminum body Chevy chassis. Okay. The private provider who was already operating the service cannot bid to be the private provider because he is locked out by these minor little ordinances and certification. That's what happened in Tulsa."

OUR FINDINGS: Mr. Fleck implies that the ambulance operator serving Tulsa prior to the establishment of the new Tulsa EMS system was prevented from bidding on the Tulsa ambulance contract by the fact that he did not have equipment meeting the standards required by the new Tulsa ambulance ordinance. Mr. Fleck's statement is totally false.

When the Tulsa contract was put out for bid by Tulsa's emergency medical services Authority, all equipment required for use by any bidder was furnished without charge to the bidder by the Authority. Tulsa's previous ambulance operator, Central Ambulance Service, could have bid on the contract without furnishing any equipment at all, and was encouraged to do so by the Ambulance Authority and by Mr. Stout. In fact, it was not until the day of the bid opening that Mr. Stout or anyone else even knew that Central Ambulance Service had decided not to bid.

Four qualified companies submitted bids on the Tulsa project. Bids were submitted by Medical Services, Inc. of Eugene, Oregon, National Medical Enterprises of Los Angeles, California, National Patient Aids of Orlando, Florida, and Metro Ambulance Service of Marietta, Georgia. When sealed bids were opened by the Chairman of the Board of the Tulsa Ambulance Authority, Metro Ambulance Service of Eugene, Oregon was low bidder, and was awarded the contract strictly on the basis of price. None of the bidders offered to supply equipment of any kind, since the system designed by Mr. Stout called for the Authority to retain ownership of all equipment, as a safeguard against possible service interruption due to failure on the part of the contractor to continue service for any reason.

Therefore, since no equipment of any kind was required to be furnished by any bidder, Mr. Fleck's statement that, "The private provider who was already operating the service cannot bid to be the private provider because he is locked out by these minor little ordinances and certification", is clearly without basis in fact.

No one knows for certain why Central Ambulance Service chose not to bid on the Tulsa project, but persons with whom we spoke indicated that Mr. Pat Mace, owner of Central Ambulance Service, had no interest in operating an ambulance service under the strict financial, clinical, and operational supervision established by Stout's Public Utility Model. This may indeed have been the reason Central Ambulance Service chose not to bid in Tulsa, as indicated by the fact that City Commissioner Norma Eagleton, then Commissioner of Finance and Revenue, had previously experienced enormous frustrations as a public official attempting to obtain an accounting from Central Ambulance Service on Central's use of the City's $400,000 a year subsidy to Central Ambulance Service. The City had also experienced numerous problems in trying to get Central Ambulance Service to provide the ambulance coverage that the City was paying for with its subsidy. Even the Internal Revenue Service had difficulty in auditing Central Ambulance Service's records due to a mysterious break-in at Central's offices only days before the IRS auditors were scheduled to arrive.

Whatever reasons Tulsa's previous private operator may have had for not bidding, it could not have been related to the equipment issue. Again, bidders were not required to supply any equipment at all, and therefore, Mr. Fleck's quoted statement is simply false.

FLECK'S STATEMENT: "What you have to have (in Tulsa), are Chevy chassis with aluminum boxes."

OUR FINDINGS: The ambulance units currently used in Tulsa and the ones which were originally purchased by Tulsa's Ambulance Authority, are on Ford chassis -- not Chevrolet chassis. Mr. Fleck is entirely

misinformed on the question of the chassis. Furthermore, the ambulance bid package recently released by Aaron Gluck, with limited advice and assistance by Mr. Stout, does not restrict the ambulance bidder to use of any particular make of chassis. In fact, Mr. Stout did not sit on the committee which wrote the Tulsa vehicle specifications, nor did he participate in the writing of the specifications in Fort Wayne, nor did he participate in the writing of specifications in Kansas City. Mr. Stout manages all procurement processes for ambulances by utilizing ambulance personnel and maintenance personnel in the development of specifications, and also requires the vehicles to meet federal ambulance specifications which serve as minimum standards for ambulances in many states. Our investigation indicates that Mr. Stout has no personal preference for any ambulance manufacturer, chassis type, and has no financial interest in the outcome of any bid specification, or ambulance procurement process in Fort Wayne, Tulsa, or any other city.

Therefore, Mr. Fleck's statement that Jack Stout's certification requirements called for Chevy chassis is clearly completely wrong in two ways: first, Jack Stout did not write the vehicle specifications for the Tulsa ambulance regulations -- they were largely written by a then-employee of the ambulance Authority, Mr. David Heatley; second, the Tulsa ambulances were furnished on Ford chassis, indicating that Mr. Fleck is entirely misinformed on this point.

FLECK'S STATEMENT: "The private provider who was already operating the service cannot bid to be the private provider because he is locked out by these minor little ordinances and certification."

OUR FINDINGS: While the operator was not prevented from bidding on the Tulsa contract for reasons related to equipment, the operator was prevented by City Ordinance from continuing to operate his ambulance service after the bid was let to another company, partly because provisions of the Tulsa ordinance required that vehicles furnished by license applicants should meet recommended Federal Specifications KKK-A-1822. The vehicle specification requirements in Tulsa's ambulance ordinance and regulations can hardly be referred to as "minor little ordinances and certifications." Cadillac ambulances have been ineligible for federal funding under both the Department of Transportation (DOT) funding program and under the requirements of the Federal EMS Act of 1973. A substantial number of states have adopted the federal standards as minimum requirements for ambulances, and in those states, the Cadillac ambulances are illegal. If these requirements, and others in the current Tulsa City Ordinance, and in city ambulance regulations throughout the country, are "minor little ordinances and certifications", as Mr. Fleck suggests, the manufacturers of the Cadillac ambulances and other noncompliant vehicles would successfully sue to have these standards removed. This has not happened in any of the cities or states where these standards have been adopted. Finally, when Tulsa's previous private contractor did sue the City, challenging those specific vehicle

specifications, the court, after extensive testimony on the equipment, including a personal inspection of both the old and new equipment by the judge, ruled in favor of the City and against Central Ambulance Service. Again, Mr. Fleck's statements are false, and appear to be intentionally misleading.

FLECK'S STATEMENT: "That's what this plan has to do. We eliminate the private sector . . ."

OUR FINDINGS: The City of Tulsa hired Mr. Stout specifically because of his credentials in working to preserve the private sector in emergency ambulance services operations. Similarly, the City of Kansas City, Missouri hired Mr. Stout's firm, in large part because of Mr. Stout's extensive credentials in designing EMS systems which work in conjunction with the private sector. In fact, Mr. Stout appears to be the most prominent national figure in the EMS industry who has supported the continued use of private ambulance companies in emergency service delivery. Mr. Stout has spoken on that very topic, in favor of using the private sector in emergency medical service delivery at numerous federally-sponsored national EMS conferences, and Mr. Stout was selected as the sole representative of the ambulance service industry on a seven-person panel formed by the Federal Government to oversee the development of the national training program for EMS administrators developed by the Association of University Programs in Health Administration (AUPHA), which program is now taught in many colleges and universities throughout the country. Mr. Stout appears to have more credentials than anyone else in the country in promoting the continued use of the private

sector in ambulance services delivery, and in fact, several years ago when the fire department ambulance systems were first becoming very popular, Mr. Stout was often criticized at national meetings for his continued support of privately-operated ambulance services. If Mr. Fleck insists upon identifying anyone as an enemy of the private sector in ambulance services, he shall have to identify someone other than Mr. Stout. Mr. Stout's credentials in promoting the cause of regulated, publicly supervised, and financially accountable private ambulance operations are apparently well known throughout the industry. Again, Mr. Fleck's accusation is clearly false and apparently intended to mislead the Council.

> FLECK'S STATEMENT: "Why does the City want to duplicate that regulation? That's a question. Why? Okay. I can think of ulterior reasons why not the City of Fort Wayne. But the consultant . . . I have no proof. I dont' . . . put that out as innuendo, but it comes to mind why you would want to be able to regulate what type of vehicle . . . "

OUR FINDINGS: Mr. Fleck implies that, since the state has provisions for requiring minimum standards for ambulance services operations, there is no need for cities to impose higher standards. The fact is that the state does not effectively regulate the delivery of advanced life support ambulance service and, in fact, it does not require advanced life support at all. The state does not require response time performance by any operators serving in a community.

The state does not provide physician-supervised medical control, does not provide for local supervision by physicians of medical quality control, does not perform medical audits of services rendered, and does not regulate the rates of ambulance companies, even though victims of emergency incidents rarely have time to quality price shop for ambulance services. The state standards must be developed to be practical in the most rural setting, even where there may be only one or two ambulance calls per day, or fewer. Such minimum standards are clearly inappropriate for a city the size of Fort Wayne. Therefore, Fort Wayne Medical Society, the Chamber of Commerce study, and practically every other qualified observer of the Fort Wayne ambulance situation has called for local regulation in excess of that required by state standards. By using Mr. Paul Arnold's name elsewhere in his speech, Mr. Fleck appeared to be attempting to indicate that it is Mr. Arnold's position that the City does not need to impose its own additional standards and regulations upon the ambulance service industry serving Fort Wayne. Mr. Arnold informs us that he is firmly supportive of the kind of additional regulation which has already been in place for several years in the City of Tulsa, and which has been proposed by Mr. Stout for the City of Fort Wayne. Mr. Arnold specifically denies that he is supportive of Mr. Fleck or any of Mr. Fleck's statements made to the City Council last week. Furthermore, the Board of Trustees of the Fort Wayne Medical Society is clearly supportive of the kind of additional regulation proposed by Mr. Stout and which has been found to be essential to the establishment and maintenance of quality clinical performance in the City of Tulsa, Oklahoma.

We believe that Mr. Fleck's statements on the subject of regulation are clearly intended to discourage the Council from passing any ordinances, now or ever, which would have the effect of imposing strong physician supervision over ambulance services operations in Fort Wayne, or which would provide for financial oversight of the business aspects of the ambulance industry serving Fort Wayne. It also appears that Mr. Fleck's statements were deliberately intended to mislead the City Council concerning the need for local regulations of ambulance service, Mr. Paul Arnold's position on that topic, and Mr. Stout's reasons for recommending strong and accountable clinical and financial supervision of local EMS operations.

> FLECK'S STATEMENT: "You have already agreed to pay him (The Fourth Party) $30,000. Already you have paid him $15,000. What have you got? You got these ordinances. All these ideas have been around for five years. What have you got?"

OUR FINDINGS: Mr. Stout was not contracted by the City to develop these ordinances at all. City Attorney Bruce Boxberger has personally drafted every word of the ordinance and the attached agreement, which have both been through several revisions as a result of negotiations with County legal staff and numerous other people. Revisions to these legal documents have been made at the request of numerous people, Mr. Stout having been one of those people.

The ordinances adopted by the City Council several weeks ago which authorized the payment of $25,000 -- not $30,000 -- to Mr. Stout

specifically indicated the work to be performed, and Mr. Stout is performing that work. The required work was not, however, a preparation of the ordinance and agreement before the City Council at this time.

It appears that Mr. Fleck's statement was deliberately intended to mislead the City Council into believing that the City has hired Mr. Stout for $30,000 to prepare two legal instruments -- an ordinance and an agreement. Again, Mr. Fleck's statement is completely false. The work for which Mr. Stout has been retained is not a preparation of the ordinance or the attached agreement; the price authorized by the City Council is not $30,000; and the work Mr. Stout has been retained to do involves a great deal of complex technical work of both a financial and operational nature and the $25,000 fee charged by Mr. Stout for this work appears to be in line with consultant fees for similar work. Our findings indicate that Mr. Stout does not negotiate the price of his work, but rather tabulates his charge for consultant work and then makes his offer to his clients on what he feels is a fair price basis. Mr. Stout's normal rates for professional services, including indirect cost and company overhead, are usually calculated at approximately $80 per hour.

To be certain of our impressions of Mr. Stout's fees, we have contacted the chairpersons of the last two boards of directors to which Mr. Stout's company provided consulting services: Mr. Jim McClune, Chairman of the Kansas City Metropolitan Ambulance Services Trust, and President of Kansas City's Crown Center Redevelopment Corporation; Mr. Dick Horkey, Chairman of the Board of Directors of Tulsa's Emergency Medical Services Authority, and chief legal counsel to Helmerick and Payne, an international drilling

Each of these individuals indicated that, in their opinion, Mr. Stout's rate for services rendered was entirely reasonable, and the organizations for which Mr. Stout provided services are entirely satisfied with the work he has performed. Each of these persons unhesitatingly recommends Mr. Stout. Since each of these individuals has known Mr. Stout for some considerable length of time, we asked each individual to give his or her impression of Mr. Stout's character, intelligence, general ability, and knowledge of the EMS industry. Their responses were as follows:

> FLECK'S STATEMENT: "Specifically, in Exhibit A, Jack Stout is given the contract and franchise for all billings, collections, and the whole works."

OUR FINDINGS: Mr. Stout's company has been directed to initiate a dispatch data, medical information, performance auditing, and medical billing system with the same capability for response time analysis, operational "trouble-shooting", financial accountability, and other features of Tulsa's extremely sophisticated data system. The Interlocal Cooperation Agreement provides for the ambulance authority, once it has been created, to take over responsibility for the billing and collection program, along with the entire data system operation. What Mr. Fleck has failed to point out to the Council is the fact that the Ambulance Authority Board of Directors may, at its option, either continue to retain The Fourth Party for these

administrative services, or may terminate Mr. Stout's contract. In proposing this approach, Mr. Stout has indicated that he is willing to perform these services as a "facilities manager", and he is equally willing to terminate these services at the pleasure of the authority's Board of Directors. However, until the authority is established and its directors appointed, Mr. Stout has been directed, by passage of the previous ordinances by this Council, to proceed with the implementation of a professional EMS data and medical billing system, using his own company money to pay for forms, software modifications, telephone service, the salaries of the authority's controller, collection personnel, data personnel, negotiations with third-party payors, the VA Hospital, and so forth. All computer software, hardware, personnel, and several other costs of this work are to be born entirely by Mr. Stout. Should the ambulance authority decide to continue the use of Mr. Stout's service, The Fourth Party would be paid at the rate of approximately $10 per billable run for furnishing virtually everything necessary to the authority's operations, except for office supplies, rent, and several other cost items. Compared with the cost of similar services in the medical field, the $10 figure appears to be reasonable but if the Authority Board of Directors does not want to continue to retain The Fourth Party for this purpose, they will be free to terminate the contract. However, should the Authority's Board of Directors decide to terminate that contract with The Fourth Party, the City does not intend for Mr. Stout to have furnished all of these developmental services at his own expense, and provisions will be

made to compensate Mr. Stout for the work he has performed. Apparently Mr. Fleck feels that Mr. Stout should perform this work for the City without any assurance of fair compensation for service rendered. Again, we can only suspect that it is Mr. Fleck's intention to mislead the City Council by his statements concerning the arrangements with The Fourth Party.

Finally, we have obtained from Mr. Stout's company files, a copy of a letter sent to the City of New Orleans wherein Mr. Stout refused to bid on the establishment of their billing system for the City of New Orleans even though the City requested that bid from Mr. Stout, on grounds that Mr. Stout was in philosophical disagreement with the plans of the City of New Orleans for EMS system development. A copy of that letter is available should you wish to see it. A recent television program put on by the CBS affiliate in New York City also indicates that Mr. Stout had no interest in operating a billing service for New York City, even though, the contract price would have meant several million dollars per year in revenues to Mr. Stout's company, again, because Mr. Stout was philosophically not in agreement with EMS management in New York City EMS System. Mr. Stout was being offered a sole-source contract to perform billing services for New York, as evidence supplied to us from Mr. Stout's business files.

We believe the Council and the County Commissioners, as well as the citizens of Fort Wayne and Allen County, can, once and for all, put to rest the question of Mr. Stout's reputation and integrity. If you would like to read the letters from New York City and Mr. Stout's responses, we will be happy to supply those to you.

FLECK'S STATEMENT: In Tulsa, a bill is sent out. By the way, it is now $137 for the basic ALS run, plus extras. The rates did go up.

OUR FINDINGS: Mr. Fleck's statement appears to be intended to be misleading. The Tulsa EMS system has been in operation for approximately three years. Over that three-year period the total annual operating cost of the system has increased at a rate of approximately half the rate of inflation for the American economy as a whole. When compared to the rate of inflation for the rest of the health care industry, the cost of the Tulsa system has risen at less than one-third of the rate of inflation for the health care economy. The whole truth is that prior to the implementation of the Tulsa system, the City was subsidizing the private ambulance operator at the rate of $400,000 per year. Since then, the subsidy has declined to the level of $320,000. The base rates for emergency and nonemergency services in Tulsa were recently raised, by the direction of the City Council, to prepare for further reduction of the City subsidy. In Tulsa, the relationship between the rates and the subsidy is entirely controlled by the City Council. For every dollar the City Council chooses to remove from the subsidy, the rates go up slightly more than $1.30. Because of the loss of federal revenue sharing money, the City Council has directed the ambulance authority to prepare for further reduction of the city subsidy, and therefore a subsequent increase in the rates.

According to a recently completed study by the University of Pittsburgh, funded by the Robert Wood Johnson Foundation for more than $200,000, the Tulsa Ambulance System is the most cost-effective advanced life support ambulance service in America. When Mr. Fleck talks about a $55 rate for ambulance services, he is not talking about an ambulance service capable of twice the response time performance currently realized in the City of Fort Wayne. Tulsa provides ALS to 95 percent of emergency calls in under eight minutes. Fort Wayne citizens experience a response time in excess of eight minutes over one-half the time. The Tulsa ambulance service has better equipment, more sophisticated care, considerably greater clinical and financial accountability, and a response time that is twice as good as that in the City of Fort Wayne. We do not believe that it is sensible to compare the charge of an ambulance service which has none of the features of the Tulsa system with performance capability of one of America's most sophisticated ALS systems.

> FLECK'S STATEMENT: How does that work in Tulsa? In Tulsa, a bill is sent out . . . the bill gets sent out from Atlanta, Georgia. I don't know if there's a coincidence, but I think that the Council should find out if there is a coincidence the fact that Atlanta, Georgia where we have the famous Metro Ambulance Company of Marietta, Georgia, which is a suburb of Atlanta, Georgia, owned apparently in part by Edgar H. Pound, call him Bo Pound. That's where the billing comes through Tulsa, where Jack Stout is the creator of the plan . . . from Atlanta, Georgia, the

billing goes to Little Rock, Arkansas. That is where Jack Stout's from . . . the bill comes from Little Rock, Arkansas back to Tulsa. The bill comes from Little Rock, Arkansas.

OUR FINDINGS: Fleck's statement implies that in Tulsa the ambulance authority contracts out its billing service to an Atlanta firm. That is false. The Tulsa ambulance authority does its own billings "in-house", using employees of the ambulance authority and the authority's own billing computer to generate the bills. These bills do not go to Atlanta, Georgia. Furthermore, they do not go from Atlanta, Georgia to Little Rock. Bills are processed in Tulsa, mailed in Tulsa, and collected in Tulsa. Mr. Fleck's statement concerning the Tulsa billing system is completely inaccurate.

FLECK'S STATEMENT: If you get a bill for $300 for an ALS run, Medicaid in Fort Wayne only pays 40-some dollars. Okay. That's all that poor person gets towards that bill, the rest of it is a civil debt to the City of Fort Wayne. $80, whatever.

OUR FINDINGS: Medicaid is a state-supervised program for funding certain health care services for the medically indigent. Mr. Fleck's statement indicates that a Medicaid-eligible person can be reimbursed by Medicaid. This is not true. Medicaid will not direct payment to recipient of the service. Medicaid will only pay the provider. Mr. Fleck's statement also indicates that, if Medicaid paid $40 for a

bill, the balance of the bill would still be owed to the City. This is not true. If any Medicaid provider accepts Medicaid money for services rendered to a Medicaid-eligible person, the balance of the debt owed may not be charged to patient, and the balance of the bill must be "written off" by the provider, that is the law at this time.

Mr. Fleck's statement indicates clearly that he has no understanding whatsoever of what the Medicaid program is or how it works. Furthermore, his statement indicates that he is quite willing to make public statements to this Council concerning complex financial matters of health care finance about which he is quite uninformed.

> FLECK'S STATEMENT: "My understanding is in Tulsa that they don't do what the city administration here says they're going to do. In Tulsa it's turned over to a collection agency outside of Tulsa and the collection agency sends the familiar bills all poor people are familiar with. The collection letter that says you are sued if you don't pay you go to Small Claims Court."

OUR FINDINGS: Delinquent accounts are not turned over to an out-of-town collection agency by the Tulsa Ambulance Authority. On this point, Mr. Fleck is again completely in error. Collection policies in the Tulsa system are controlled by the Board of Directors of the Ambulance Authority. This Board of Directors consists of physicians, elected officials, and members of the business community, none of whom are paid for the time they spend on the Ambulance

Authority. It is foolish to think that a person serving on such an Authority, strictly in the public interest, would establish collection policies which would badger poor people for payment. In this case, Mr. Fleck's statement is both incorrect and illogical.

In the Tulsa system some bills are turned over to a local law firm, name of Works and Lentz, for collection period; however, any patient who is truly without the ability to pay, or who makes any reasonable arrangements with the Authority to make payment will not experience a collection effort from the Works and Lentz firm. It is the policy of the Tulsa Ambulance Authority to forgive the debts of persons who truly need the ambulance services, and are truly without the reasonable ability to repay these services. Again, we believe that it was Mr. Fleck's intention to mislead the Council concerning the collection policy of the Tulsa system. Furthermore, we would like to remind the Council, according to Mr. Stout's plan, all collection policies will be entirely controlled by Directors of the Ambulance Authority -- people from the Fort Wayne and Allen county business community who are serving strictly in the public interest and who have only the public interest at heart in establishing these policies. It is totally unreasonable to assume, as Mr. Fleck has suggested, that persons from the business community serving without compensation on the ambulance board would establish policies that would harass or badger poor people who are unable to pay for their ambulance service.

Finally, we should keep in mind that Mr. Stout's ambulance designs are the only systems operating in America today that utilize private companies to operate the ambulance service, but also prohibit those private companies from engaging in billing and collection

activities. Mr. Stout's own written publications in national journals clearly indicate that he is opposed to allowing private ambulance companies to engage in billing and collection practices, precisely because he does not want patient care or response time to be compromised as a result of a patient's ability or inability to pay, and Mr. Stout does not believe that collection policies should be established by persons who may benefit directly from over-zealous collection activities.

> FLECK'S STATEMENT: Now, it's done on computer. Who sold the computer to the City of Tulsa that is required by these documents in a proposal by Jack Stout?

OUR FINDINGS: Fleck's statement implies that Jack Stout in some manner, benefitted financially from the sale of IBM System 34 billing computer to Tulsa's Ambulance Authority. To answer Mr. Fleck's question, IBM sold Tulsa's billing computer to Tulsa's Ambulance Authority. Mr. Stout was compensated in no way by the City of Tulsa, the Ambulance Authority, or IBM relative to that sale. It should be noted that it took us less than 30 minutes to find the answer to Mr. Fleck's question. Why was Mr. Fleck unable to find out the answer? Again, it appears that Mr. Fleck was deliberately intending to mislead the Council, and to discredit Mr. Stout's reputation.

FLECK'S STATEMENT: "Now, it's my understanding in Tulsa that there were $600,000 involved in computers. Okay. Who sells it?"

OUR FINDINGS: Tulsa's IBM System 34 billing computer originally cost approximately $100,000 and was sold directly from IBM to the Tulsa Ambulance Authority. Again, Mr. Stout had no financial involvement in that transaction. There was, however, a $620,000 purchase of Tulsa's extremely sophisticated communications system and computer-aided dispatching system. That system was sold to the Tulsa Authority by Motorola. And, again, Mr. Stout had no financial interest in that transaction and was not paid by the City of Tulsa or by Motorola relative to that transaction. In fact, Mr. Stout spent several days of his own time working with the Motorola engineers in Schomburg, Illinois without compensation, designing that computer-aided dispatch system,

We believe we have in Mr. Stout an individual who is about as likely to work on something because it is "neat" as he is for the pay involved. Mr. Fleck has made a series of statements to mislead the Council as to Mr. Stout's involvement in Tulsa hardware ranging from ambulances to billing computers to communications systems. Our investigation indicates that there is not a hint of impropriety in Mr. Stout's involvement in any of these matters. We also believe that Mr. Fleck either knows that or should have known that before he made his statements to the Council.

FLECK'S STATEMENT: Specifically, the Council approved, the last time, a contract of service with Jack Stout. One of those contracts included data processing. Who sells the software; and who sells the computer?"

OUR FINDINGS: It appears that one of most sophisticated medical billing packages for the ambulance industry is the one used in Tulsa, Oklahoma. Upon investigation, we discovered that the Tulsa billing system is based upon a standard IBM medical information and billing package. We also discovered that Mr. Stout designed numerous modifications to the IBM billing package to make it more suitable for ambulance billing and information systems, and that Mr. Stout designed these modifications without charge to Tulsa, in exchange for rights to the ownership of the software modification. The programming of these modifications was done under contract by IBM. Thus, Mr. Stout received no financial compensation whatsoever for designing software modifications used in the Tulsa system.

Mr. Stout's problem-solving ambulance statistical analysis package has been developed by MR. Stout over the past eight years, and is currently being run on computers at the University of Missouri. The IBM System 34 computer is too small to handle the complex statistical analysis acquired by Mr. Stout's programs, and so Mr. Stout purchases services on the much larger university computer.

Mr. Stout has developed all of these statistical analysis packages at his own expense, and typically he charges his clients only for processing services -- not for software development. As to the

question of who sells the software and who sells the computer, in the case of Mr. Stout's present Fort Wayne contract, the question is meaningless. In Mr. Stout's present contract, he is required to furnish at his own expense and for his own use, all required personnel, hardware and software, without charge to the City except for the approximate $10 charge for all billing, collecting, data entry, statistical analysis services, and services of a qualified administrator/controller for the Ambulance Authority. Included in the $10 per billable run charge are, we assume, provisions for amortizing Mr. Stout's cost of hardware acquisition, software development, and other startup costs of initiating a sophisticated data system of the type being developed for Fort Wayne.

Under Mr. Stout's contract, he is selling complete "facilities management" services for the Authority; he must furnish, at his own expense, all the personnel, hardware, software, and other startup costs necessary to rendering that service. Therefore, it is of no consequence to anyone where Mr. Stout buys his own computers or where he gets his own software. The Fourth-Party is Mr. Stout's own company, and since he is paying for these things with his own money, it is his own business and should be none of our concern. It appears that Mr. Fleck understands that and was attempting to mislead the Council by phrasing the question in the way that he did.

FLECK'S STATEMENT: "Is it a coincidence that the now soon to be Director of EMS is a former employee of his in Atlanta, Georgia? Is it a coincidence that the City just bought several ambulances from Edgar H. "Bo" Pounds of Atlanta, Georgia? Are these coincidences that we should look into?

OUR FINDINGS: The way these statements are phrased seems to indicate an intention on Mr. Fleck's part to cast doubt on Mr. Stout's involvement in the procurement of two ambulances from Metro Ambulance Service in Atlanta, and also suggest that Mr. Stout was involved in the hiring of Mr. Emery Patterson, the new Operations Manager of the Fort Wayne EMS Department. First, Mr. Fleck is simply wrong concerning Mr. Patterson's position. Mr. Patterson was not hired to become the Director of the City EMS Department. The Director of that Department is Julie Gore, and we can discover no intention on the part of the Moses administration to replace Ms. Gore. A few days ago, I'm sure you were all aware Ms. Gore delivered a baby, and until she returns to work in a couple of weeks, Mr. Patterson is responsible for the Department's operations. But we have found no indications on the part of the Moses administration that there is any intention to replace Ms. Gore with Mr. Patterson or anyone else.

From our investigation, we discovered that, prior to meeting in Fort Wayne, Mr. Patterson and Mr. Stout had never met. Mr. Patterson has worked for Metro Ambulance Service in various capacities for nine years, and did set up Tulsa's computer-aided dispatch system as

an employee of Metro Ambulance Service. Mr. Patterson was hired by the City of Fort Wayne to bring experience and ability derived from nine years of working with a large and nationally recognized advanced life support provider, and because of his knowledge of the sophisticated dispatching system used in Tulsa, Oklahoma, which has proven so effective in achieving excellent response time performance at reasonable costs. Mr. Patterson was interviewed by numerous city officials before he was selected for employment, including Jimmy Huntine, Tony Myers, Mark Angel, and Julie Gore. It appears that Mr. Stout was not present at any of these interviews and did not take part in the City's decision to hire Mr. Patterson. Mr. Stout indicated that the move would be in Mr. Patterson's career interest. Mr. Stout did support the city's decision to hire someone from a large private ambulance operation with sound national credentials to assist the city with its expansion and upgrading effort. Mr. Stout indicated that the City would need field experience from one of the more successful and reputable large private firms, but the decision to hire Emery Patterson was made by the officials of the City of Fort Wayne.

As regards the purchase of the two ambulances, Mr. Stout was asked in a meeting involving Frank Heyman, Mark Angel, Tony Myers, Julie Gore, and others if he could assist the City with an emergency procurement of ambulances since the City was at that time down to one reliable ambulance. Mr. Stout agreed to telephone around the country to locate some available low mileage ambulances capable of ALS service and, in the process, he discovered that Metro Ambulance had recently bought out a smaller company and had acquired two low

mileage modular ambulances which did not fit Metro's standard fleet specifications. Mr. Stout informed city officials of the availability of the ambulances, and that ended his involvement in the transaction. Mr. Stout had no responsibility or financial interest in that transaction whatsoever, and has even indicated that he is willing to submit to a polygraph test, if necessary, to satisfy Council members on that subject. However, if the polygraph is necessary, Mr. Stout has indicated that this is the last he ever wants to hear about this subject or one like it. We agree.

> FLECK'S STATEMENT: "Now, I'm not implying by any of this, and I hope that no one got the wrong opinion, I am not implying that Jack Stout has any financial connection with anyone. I do think that the Council ought to make certain that he doesn't. That he doesn't have any piece of the computer contract. That he doesn't have any piece of the hardware. That he doesn't have any piece of the collection. That he doesn't have any piece of this ambulance company. That he doesn't have any piece of these huge dollar finances that are gonna come down out of this whole picture."

OUR FINDINGS: First of all, it is very difficult to believe Mr. Fleck when he says that he does not intend to imply any impropriety on Mr. Stout's part. We have been unable to identify any substantial truth in any of Mr. Fleck's statements concerning

Mr. Stout, and we did not find it difficult to look into these matters and find the truth. Much of what Mr. Fleck has said is so far from the truth, and so easy to check out, that we can only imagine that Mr. Fleck made no effort to verify his own information before delivering a serious public attack against a man whose business reputation is clearly impeccable. It appears that Mr. Fleck was deliberately attempting to mislead the Council and to cast serious doubt upon Mr. Stout's integrity, credentials, and knowledge of the EMS industry.

Apparently, Mr. Fleck feels that Mr. Stout and his company should render service in Fort Wayne without compensation. Mr. Stout is a private consultant and must obviously live by charging his clients for the services he renders. Mr. Fleck has asked the Council to be certain that Mr. Stout doesn't "have any peice of the computer contract." This, in our opinion, is absurd. Mr. Stout sells computer services, if you contract with Mr. Stout for computer related services, chances are Mr. Stout should get a piece of the computer contract. Mr. Fleck has suggested that the Council should be certain that Mr. Stout doesn't "have any piece of the software." As far as the services being provided in Fort Wayne are concerned, Mr. Stout and IBM own the software. Of course, Mr. Stout has a piece of the software. He designs and sells software for a living. That, in part, is why he was hired.

Mr. Fleck has suggested that the Council take steps to insure that Mr. Stout doesn't have any piece of the collections. In fact, Mr. Stout was partly hired to do the collecting; furthermore, Mr. Stout has agreed to forego payment for the data, billing, collection

service until collections have generated sufficient funds to pay his company's fee for these services. Let us hope that Mr. Stout does "get a piece of the collections", because it is from the collections that Mr. Stout will be paid, along with many other costs of the expanded systems operations.

If the Ambulance Authority's Board of Directors decided to discontinue the contract with Mr. Stout, he will be paid for services rendered then to date, and we believe this is appropriate. We do not believe that Mr. Fleck, the City Council, nor anyone else should expect Mr. Stout to work without compensation in Fort Wayne.

Finally, the question is not whether Mr. Stout has been paid by the City of Fort Wayne or by other cities for services he has rendered. Of course, he has been paid for these services as, we assume, Mr. Fleck has been paid for his services. The question, if there is one, is whether Mr. Stout has, at any time, received compensation inappropriately. We are convinced from our inquiries that he has not. We are convinced that Mr. Stout is a reputable, honest, and knowledgeable consultant in his field, and that his advice to the City can be trusted. As a result of this same inquiry, we are equally convinced that the advice given to the City Council by Mr. Fleck cannot be trusted, because Mr. Fleck has either deliberately misled the City Council or he has made little or no effort to verify the serious accusations and implications he has made concerning Mr. Stout and his work.

CONCLUSION

We have investigated to our satisfaction all of Mr. Fleck's charges concerning Mr. Stout and his work, and have found each of these charges to be false.

We believe that Mr. Stout and his recommendations are good for Fort Wayne and should be accepted by the City Council. The Board of Trustees of the Medical Society has already formally endorsed Stout's work, and his recommendations for EMS in Fort Wayne and Allen county. As a result of this inquiry, the Medical Society not only stands by its original position on this matter, but we are even more strongly convinced of the need for implementation of the Moses administration's plan for EMS development.

We urge the Council to now turn its attention away from questions concerning Mr. Stout and towards the important EMS issues at hand. We urge adoption of the ordinance that was prepared by Mr. Boxberger and its attached Interlocal Coooperation Agreement, as a necessary and appropriate first step in building a superior ambulance service for our community.

EMERGENCY MEDICAL SERVICES AUTHORITY

Financial Statements

June 30, 1980 and 1979

(With Accountants' Report Thereon)

Peat, Marwick, Mitchell & Co.

Certified Public Accountants

Suite 1600, One Williams Center
Tulsa, Oklahoma 74172

Board of Trustees
Emergency Medical Services Authority
Tulsa, Oklahoma:

We have examined the balance sheets of the Emergency Medical Services Authority as of June 30, 1980 and 1979 and the related statements of operations, changes in fund equity and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the Emergency Medical Services Authority at June 30, 1980 and 1979 and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Peat, Marwick, Mitchell & Co.

November 7, 1980

EMERGENCY MEDICAL SERVICES AUTHORITY

Balance Sheets

June 30, 1980 and 1979

Assets	1980	1979
Current assets (note 2):		
Cash	$ 123,366	108,439
Certificates of deposit	100,000	13,000
Accounts receivable, less allowance for doubtful receivables of $603,000 and $340,000 for 1980 and 1979, respectively	211,836	128,672
Accrued interest receivable	2,153	-
Prepaid expenses	7,256	4,643
Total current assets	444,611	254,754
Property and equipment, at cost (note 2):		
Vehicles	344,866	329,548
Furniture, fixtures and equipment (note 5)	689,611	299,141
Leased equipment	21,282	10,732
	1,055,759	639,421
Less accumulated depreciation and amortization	137,126	62,900
Net property and equipment	918,633	576,521
	$ 1,363,244	831,275
Liabilities and Fund Equity		
Current liabilities:		
Current installments of long-term debt (note 2)	88,571	60,674
Accounts payable	174,982	113,263
Total current liabilities	263,553	173,937
Long-term debt, excluding current installments (note 2)	318,453	128,393
Fund equity:		
Contributions:		
Contribution from City of Tulsa (note 4)	487,826	475,000
State of Oklahoma grant (note 4)	62,000	-
Total contributions	549,826	475,000
Retained earnings	231,412	53,945
Total fund equity	781,238	528,945
Commitments (notes 4 and 5)		
	$ 1,363,244	831,275

See accompanying notes to financial statements.

EMERGENCY MEDICAL SERVICES AUTHORITY

Statements of Operations

Years ended June 30, 1980 and 1979

	1980	1979
Operating revenues:		
Ambulance service	$ 1,422,521	914,905
Less allowances and uncollectible accounts	345,941	356,286
Net operating revenue	1,076,580	558,619
Operating expenses other than depreciation and amortization:		
Salaries and wages	129,063	88,350
Consulting services	79,902	48,166
Ambulance contract service (note 5)	773,759	637,807
Ambulance supplies	77,790	67,055
Office supplies	31,556	28,817
Other (note 3)	131,507	127,066
	1,223,577	997,261
Operating loss before depreciation and amortization	146,997	438,642
Depreciation and amortization, including amortization on leased equipment of $3,831 in 1980 and $644 in 1979	79,056	62,592
Operating loss	226,053	501,234
Nonoperating income:		
Contribution from City of Tulsa (note 4)	393,000	505,000
Interest income	10,520	26,817
Total nonoperating income	403,520	531,817
Net income	$ 177,467	30,583

See accompanying notes to financial statements.

EMERGENCY MEDICAL SERVICES AUTHORITY

Statements of Changes in Fund Equity

Years ended June 30, 1980 and 1979

	Contributions		
	City of Tulsa	State of Oklahoma	Retained earnings
Balance at July 1, 1978	$ -	-	23,362
Net income	-	-	30,583
Contributions received	475,000	-	-
Balance June 30, 1979	475,000	-	53,945
Net income	-	-	177,467
Contributions received	12,826	62,000	-
Balance June 30, 1980	$ 487,826	62,000	231,412

See accompanying notes to financial statements.

EMERGENCY MEDICAL SERVICES AUTHORITY

Statements of Changes in Financial Position

Years ended June 30, 1980 and 1979

	1980	1979
Funds provided:		
Net income	$ 177,467	30,583
Items which do not use working capital - depreciation and amortization	79,056	62,592
Working capital provided from operations	256,523	93,175
Contribution from City of Tulsa	12,826	475,000
Contribution from State of Oklahoma	62,000	-
Capitalization of lease	7,340	10,732
Proceeds from borrowings	278,631	178,824
Retirement of furniture, fixtures and equipment	1,133	-
	$ 618,453	757,731
Funds used:		
Additions to property and equipment	422,301	616,940
Additions to leased equipment	7,340	10,732
Current installments and payments of long-term debt	88,571	65,540
Increase in working capital	100,241	64,519
	$ 618,453	757,731
Changes in components of working capital:		
Increase (decrease) in current assets:		
Cash	14,927	108,439
Certificates of deposit	87,000	(467,517)
Accounts receivable	83,164	128,672
Accrued interest receivable	2,153	-
Prepaid expenses	2,613	4,643
	189,857	(225,763)
Increase (decrease) in current liabilities:		
Current installments of long-term debt	27,897	59,574
Accounts payable	61,719	50,144
Deferred revenues	-	(400,000)
	89,616	(290,282)
Increase in working capital	$ 100,241	64,519

See accompanying notes to financial statements.

EMERGENCY MEDICAL SERVICES AUTHORITY

Notes to Financial Statements

June 30, 1980 and 1979

(1) Summary of Significant Accounting Policies

The accounting policies of the Emergency Medical Services Authority ("Authority") conform to generally accepted accounting principles as applicable to proprietary funds. Generally accepted accounting principles for proprietary funds are defined as those principles prescribed by the National Council on Governmental Accounting and by the American Institute of Certified Public Accountants. The following is a summary of the more significant accounting policies of the Authority:

Organization

The Emergency Medical Services Authority was created in December 1977 as a public trust under the provisions of the Oklahoma Trust Act to provide and operate an emergency medical service system for the citizens of the City of Tulsa, Oklahoma. The City of Tulsa, is the sole beneficiary of the trust. The Authority began operations in October 1978.

Basis of Accounting

The accrual basis of accounting is used by the Authority.

Property and Equipment

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets (2 to 7 years for vehicles, 4 to 15 years for furniture, fixtures and equipment and 5 years for leased equipment) by use of the straight-line method.

Maintenance and repairs are charged against operations, while renewals and betterments are capitalized. When property is retired or otherwise disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations.

Federal Income Taxes

The Authority, as a political subdivision of the City of Tulsa, is excluded from Federal income taxation under Section 115(1) of the Internal Revenue Code.

Contributions

Contributions restricted by the donor for capital additions or improvements are treated as additions to fund equity.

Unrestricted contributions which have been earned by the Authority are reflected as nonoperating revenues. Such contributions are used to subsidize current operations.

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EMERGENCY MEDICAL SERVICES AUTHORITY

Notes to Financial Statements

Retirement Plan

The Authority has in effect a noncontributory, defined contribution retirement plan covering all full-time employees over 18 years of age. The Authority's policy is to fund pension costs accrued.

(2) Long-Term Debt

A summary of long-term debt follows:

	June 30, 1980	June 30, 1979
Note payable to bank; due in monthly installments of $7,380.95 plus interest with a final payment of remaining principal plus interest on April 1, 1982; interest at 4½% - 6% based on 60% of prime (6% at June 30, 1980); secured by substantially all assets of the Authority. (See note 5)	$ 389,441	178,824
Obligation under long-term equipment lease; due in monthly installments of $257.40, including imputed interest of 15% through February 1984; secured by equipment with depreciated cost of $10,088	17,583	10,243
Total long-term debt	407,024	189,067
Less current installments of long-term debt	88,571	60,674
Long-term debt, excluding current installments	$ 318,453	128,393

The agreement underlying the note payable to bank provides a line of credit of up to $620,000 to purchase certain computerized communications equipment (see note 5).

(3) Retirement Plan

On June 13, 1979 the Authority adopted a retirement plan for employees of the Authority retroactive to May 1, 1978. Under the provisions of the plan, the Authority will contribute 10% of total compensation paid (excluding bonuses, overtime pay and any additional pay). Retirement plan expense for the years ended June 30, 1980 and 1979 was $7,501 and $8,875, respectively.

The plan provides for the full vesting of benefits upon completion of 1,000 hours of service in a plan year.

(4) Contributions from the City of Tulsa and Others

The Authority received operating subsidies from the City of Tulsa during the fiscal years ended June 30, 1980 and 1979 of $393,000 and $505,000, respectively. The City of Tulsa has approved a similar subsidy for fiscal 1981 in the amount of $300,000.

(Continued)

EMERGENCY MEDICAL SERVICES AUTHORITY

Notes to Financial Statements

The Authority has purchased two additional ambulances that had not been delivered as of June 30, 1980. The City of Tulsa has approved a capital contribution to the Authority in the amount of $145,000 to fund the cost of those vehicles. At June 30, 1980, the City had advanced approximately $12,800 toward vehicle equipment costs in addition to the amount referred to above.

During the year ended June 30, 1980, the Authority received a State of Oklahoma grant from the Department of Highway Safety in the amount of $62,000 for the purchase of radio equipment. All conditions precedent to earning that grant had been met as of June 30, 1980 and the grant amount has been credited to contributions from the State of Oklahoma.

(5) Commitments

The Authority has contracted with Metro Ambulance Service, Inc. ("Metro") for the latter to provide labor and management services for the operation of the Authority's ambulance system for a three year period commencing October 1, 1978. The Authority is to pay monthly fees based on the amount of services rendered by Metro. The total contract costs amounted to $773,759 and $637,807 for the twelve months ended June 30, 1980 and 1979, respectively.

On December 11, 1978 the Authority entered into an agreement to purchase certain computerized communications equipment with a cost of approximately $620,000. At June 30, 1980 payments totaling $559,583 had been made for equipment which was delivered to the Authority.

For disclosure purposes the Authority has classified lease arrangements as either capital or operating leases. A capital lease has been defined as one which (1) transfers ownership of the property to the lessee by the end of the lease term, (2) contains a bargain purchase option, (3) covers 75% or more of the estimated economic life of the leased property, or (4) provides for minimum lease payments with a present value which exceeds 90% of the fair value of the leased property.

The Authority presently leases various items of office equipment. The lease expense for the year ended June 30, 1980 and June 30, 1979 was approximately $16,100 and $16,000, respectively. The following is a summary of long-term lease commitments under the Authority's operating leases:

Year ending June 30:	
1981	$ 6,000
1982	3,400
1983	2,900
1984	1,600

All operating leases expire prior to June 30, 1984.

EMERGENCY MEDICAL SERVICES AUTHORITY
802 SOUTH JACKSON • SUITE 420 • TULSA, OKLAHOMA 74127
918-599-7141

June 29, 1981

Samuel J. Talarico
Councilman-at-Large
1923 East State
Fort Wayne, Indiana 46805

Dear Councilman Talarico:

I have received the cassette tape of the June 22, 1981 Fort Wayne, Indiana City Council meeting where Mr. Mace and Mr. Fleck made many insinuations and insidious inferences which are totally untrue. I have explained, at great length, most of these on-going erroneous statements to the local medical society and feel my statements should answer any and all allegations thoroughly.

Our system has been audited by an outside, independent accounting firm. Their latest audit is enclosed. This should aid in clarifying the questions of the City of Tulsa's involvement, City contribution and the amount of assets owned by the Authority.

I would like to conclude by inviting anyone with the City Council of the City of Fort Wayne, Indiana to visit Tulsa and examine our system to determine for themselves that all accusations are completely unfounded. By making this trip, it is my belief that you will, once again, chart your course to continue to react to the question of quality EMS for your community and not cloud your decision-making process with ungrounded allegations.

Respectfully submitted,

EMERGENCY MEDICAL SERVICES AUTHORITY

Stephen Williamson
Executive Director

SW:cc
cc: Mr. W. Richard Horkey
Chairman, EMSA Board of Trustees

POLICY ISSUES AND RECOMMENDATIONS --

FORT WAYNE EMS SYSTEM

Prepared by: Jack L. Stout
Senior Analyst
The 4th Party, Inc.
January 27, 1981

POLICY ISSUES AND RECOMMENDATIONS -- FORT WAYNE EMS SYSTEM

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I. Introduction and Background

This report summarizes the findings and recommendations developed during a six day on-site review of EMS developments in the Fort Wayne area. Because of the limited time available, this report focuses almost entirely upon policy level aspects of the present EMS system, and plans being developed by various groups to change the present EMS system (i.e., the City, the Chamber of Commerce, Taxpayers Research Association).

Because this report might reasonably be criticized on grounds that its author had benefit of only six days of "fact finding" in Fort Wayne, I believe it is appropriate that I make clear my own feelings concerning the reliability of the findings and recommendations included in this report:

First, while the ambulance service industry is indeed complex -- at least as complex as the hospital industry (though much smaller), senior members of our company have had the advantage of years of experience dealing with precisely the kinds of policy-related questions discussed in this report. This experience has exposed us to EMS problem-solving efforts at all levels of government, in both rural and urban settings, as well as in the context of a wide variety of organizational structures, financing schemes, and political environments. Because of this broad exposure to EMS developmental processes, we are often able to recognize underlying misunderstandings which frustrate both management and planning efforts in EMS at the local level. As a consultant, I feel confident that I have developed a reasonably sound understanding of the current situation in Fort Wayne, and I am, therefore, confident of the validity of the recommendations included in this report.

Second, the reader may also wonder how it is possible that I feel comfortable with discussing production costs and recommended production capacities after only six days of on-site investigation. The answer is that our experience in designing and implementing advanced life support (ALS) systems elsewhere, and in analyzing others, has given us a set of perspectives, or "yardsticks", which allow us to make certain projections, at least at a general level, that usually turn out to be correct. Two brief examples will illustrate this point:

A. We have found that in using the concept of an ambulance "unit-hour" we are able to make rather rapid assessments of efficiency and future production costs. (A "unit-hour", as used here, refers to the availability of one on-duty ambulance for one hour.) We know from experience that the <u>total</u> cost of producing an ALS "unit-hour" in a fully developed, sophisticated EMS system will range from a low

of about $38 per unit-hour to as high as $80 per unit-hour, depending upon system size and efficiency. Our company's experience has been with the development of very sophisticated, yet highly efficient, ALS systems capable of producing a unit-hour at the low end of the cost range, but we are also familiar with less efficient systems which produce approximately identical service at much higher costs. The concept of the unit-hour, and our experience in examining production costs in that way, enable us to estimate and evaluate production costs and comparative efficiency in much the same manner as an experienced real estate appraiser, architect, or commercial builder uses the concept of "comparable square footage costs" to form rapid, yet reasonably accurate judgments concerning real estate values or construction costs.

B. Because of our use of the unit-hour as a tool for comparing one EMS system with another, we have also learned, again from experience, to make quick, but surprisingly accurate estimates of how many unit-hours are likely to be necessary to achieve a given response time performance in an ambulance service area. We have learned that some systems are extremely inefficient in their utilization of unit-hours, while other systems are, by comparison, very efficient. For example, we know from experience that the Tulsa, Oklahoma system is able to handle about 16,000 calls per year with reliable ALS response time performance using 792 unit-hours per week. We also know that the Kansas City EMS system is able to handle about 30,000 calls per year with ALS response within eight minutes on 95 percent of life-threatening emergencies, utilizing approximately 1,800 unit-hours per week. This kind of experience, along with an intimate knowledge of why these systems perform so well, make it possible for us to say with reasonable confidence that ALS coverage in Fort Wayne should probably vary between three and six ALS units, depending upon time-of-day/day-of-week, producing a total of approximately 640 to 670 unit-hours per week.

Third, our experience in developing clinically sophisticated ALS systems capable of maintaining financial stability on a "shoestring" local tax subsidy has, to some extent, helped to narrow down the range of options which we must consider in helping to plan EMS system development. That is because we have had the advantage of learning from experience, often our own experience, which methods work well, which are unreliable, which are reliable but inefficient, and which are both reliable and efficient. By reducing the choices under consideration to those options which are both functional and efficient, one can save much time in the planning process, since many of the EMS management practices in use throughout the country today do not fit the criteria of "both functional and efficient."

During my six-day visit, I read nearly two years' worth of EMS-related local newspaper clippings, examined about two thousand pages of miscellaneous internal reports, documents, financial records, and "run" statistics, inspected dispatch facilities, rolling stock, spoke at length with as many people involved in system planning and operations as time would permit, and witnessed the present system's handling of a full cardiac arrest. Given that background, our report and recommendations follow.

II. Current Problems and Needs

The major problems plaguing the current EMS system proved easy to discover:

A. Equipment. The vehicles utilized in the present system are, with one exception, not suitable for ALS work and should be replaced immediately. An organized program of scheduled equipment replacement does not exist. Current vehicle maintenance practices are totally inadequate, especially in regard to preventive maintenance. In short, the EMS system cannot be expected to perform well with the type and condition of present equipment, with the amount of equipment currently employed, or with the current system of maintaining such equipment. Since equipment is one of the least expensive components of operating costs in an ALS system, and since equipment can have a strong impact upon overall performance, there can be no persuasive reason to delay upgrading of equipment and maintenance practices.

B. The current production capacity of the City's ALS units is very overloaded -- particularly during "peak-load" periods of demand. For example, the current system responds to almost as many calls as the Tulsa, Oklahoma system, but utilizes considerably fewer unit-hours per week than does the Tulsa system. Most significantly, the apparent peak-load demand upon the Fort Wayne system is almost identical to the peak-load demand on the Tulsa system, and yet the Tulsa system utilizes six ALS units during its peak periods, while the Fort Wayne system utilizes three city-operated ALS units and one private ALS unit. In addition, Tulsa's ALS equipment is in top condition, well maintained, and employs four additional complete ALS "backup" units to insure reliable peak period production capacity. Since the Tulsa EMS system is perhaps the most efficient sophisticated ALS system in America, it must be clear that the present Fort Wayne system is severely overloaded.

C. ALS response times in the Fort Wayne area are dangerous to human life. Well designed and generally accepted research from the Seattle system has shown that, in order to save the most lives, an EMS system must be able to reach patients with trained "first-responders" within four minutes, and must bring full advanced life support to the scene within eight minutes. Please note: These times do not refer to average response times, but to maximum response times. The average response time for ALS in Fort Wayne is normally over eight minutes, which means that,

more than half the time, Fort Wayne ALS patients are subjected to a life-threatening delay in ALS response. In contrast, the Kansas City, Missouri EMS system reaches 95 percent of its ALS calls within eight minutes. Since the per capita local EMS tax subsidy in both Tulsa and Kansas City is considerably lower than the present per capita subsidy in Fort Wayne, it seems logical that steps can and should be taken to establish and achieve an ALS response time goal of eight minutes for 95 percent of requests.

D. While clinical performance of the Fort Wayne system appears to be very good, the absence of appropriate data systems, formal medical audit procedures and mechanisms for assuring clinical accountability in general make it difficult to document and correct performance deficiencies in a timely manner.

Within the above-discussed four general areas there are, of course, numerous related problems that should be addressed and, where possible, this report deals with those problems in conjunction with the recommendations presented in Section IV, below. However, the four major problem areas listed above are of sufficient magnitude to warrant immediate corrective action, and constitute the principal performance-related deficiencies of the present system.

In short, the present EMS system is ill-equipped, its equipment is inadequately maintained, its production capacity is dangerously overloaded, the resulting response time performance is life-threatening more than one-half the time, and the overall accountability of the present system is far too informal to ensure a reliable means of detecting and correcting performance problems in the future.

III. Underlying Assumptions and Strategies for Future Development

With recommendations for improving both city and countywide ambulance services coming from so many different places, the business of deciding upon any single course of action is bound to be extremely frustrating for everyone involved. While it is probably impossible to develop any single plan of action that will meet with everyone's approval, it seems likely that some benefit will result if we can identify matters of policy that can be agreed upon.

Starting with the problems identified in Section II, I have attempted to identify areas of concern which, potentially, can be agreed upon by nearly everyone. The problems, as I have tried to identify them, are really statements of fact. The present equipment is largely unreliable. That's a fact. The present equipment maintenance program is, by industry standards, practically nonexistent. That, too, is a fact. Compared with other EMS systems, the Fort Wayne ambulance crews are overworked. Another fact. The present response time in Fort Wayne is eight minutes -- that's a fact; and well-founded research indicates that, when first-responders arrive in more than four minutes, and/or the ALS units arrive in more than eight minutes, the ALS patient experiences a significantly higher and unnecessary risk of death. Finally, by industry standards, the present data systems, mechanisms of

setting standards, medical audit processes, personnel performance review systems, and other mechanisms for defining and correcting system deficiencies are, for a fact, inadequate.

To the extent we can all agree on the problems, we may be able to better pursue solutions together. But somewhere between the problems and the solutions there are the "underlying assumptions" that we all carry with us that influence the way in which we perceive solutions. In reading the various proposals for EMS system development presented by the various groups working on the problem, I became aware of at least five misconceptions about the ambulance service industry and the way it works -- misconceptions which frustrate a cooperative and productive planning process.

Whether my own opinions on these five issues are agreed upon by all is not important. But it is important for people to recognize and deal with the underlying differences of opinion which prevent reaching agreement on solutions. Therefore, I will identify and briefly discuss those five areas of apparent underlying misconception and disagreement.

A. The myth of the two-tiered system.

Many people believe that a "two-tiered" emergency system is somehow cheaper or better than an all ALS system. The truth is that, because of the "peak-loading" characteristics of EMS demand, a two-tiered system is actually more expensive to operate, if ALS response time is held constant. The reader is asked to remember that the goal is to get the first-responder to the scene within four minutes most of the time, and to get a full ALS unit to the scene within eight minutes most of the time. Twice in my brief stay in Fort Wayne I have witnessed three simultaneous cardiac emergencies. We know from experience that a city the size of Fort Wayne will often require six ALS units on the streets during peak-load times, if 95 percent of ALS calls are to receive an eight minute ALS response. But, we also know that, if the system has six ALS units on the streets during peak periods, it will also be capable of handling all BLS (basic life support) runs nearly all the time.

Another way to look at the two-tiered myth is to recognize that, whether financed by fee-for-service billings or local subsidy or both, it will be difficult for any community to finance sufficient ALS units to meet the occasional, but not unusual "overload" conditions, if the community insists upon investing some of its financial resources in BLS production capacity.

Another factor in this issue is the relationship of "fixed cost" to "variable cost" or "marginal cost" in an ALS system. Approximately one-half the cost of producing a unit-hour in a sophisticated ambulance system involves "fixed production costs" -- costs which do not change regardless of the mix of ALS and BLS units within the system. In a reasonably efficient ALS system producing ALS service at, for example, $40 per unit-hour, the difference between producing a BLS unit-hour versus an ALS unit-hour (i.e., the difference between direct labor and amortized equipment costs) will typically be in the range of $4 to $6 per unit-hour.

But, by "saving" that $4 to $6, the system diverts about $35 per unit-hour away from ALS production capacity and invests those valuable financial resources in BLS production capacity which then proves useless in time of predictable peak-loading or even disaster.

Those arguments may sound theoretical, but we need not rely upon theory. Perhaps the most efficient and reliable ALS system in America is the Tulsa EMS system which supplies the most sophisticated ALS care, with some of the most expensive equipment in the nation, to a population of 470,000 people at a production cost that is less than half of many two-tiered systems. What may seem more amazing is that, in Tulsa, every ambulance run, both emergency and nonemergency, is performed by an ALS unit. There simply are no BLS units operating in Tulsa, Oklahoma -- even for purposes of nonemergency "transfer" service. Every dime of revenue into Tulsa's ambulance service system goes to finance ALS production capacity. The result is the most efficient sophisticated ambulance service system in America.

The same facts apply to the Kansas City EMS system which supplies ALS service to 30,000 runs per year with a response time of eight minutes to 95 percent of ALS calls. Like the Tulsa system, the Kansas City system invests none of its scarce ambulance resources in the development of BLS production capacity. When total system costs are compared, and response time performance held constant, there is no two-tiered system in America that comes close to performing up to the Tulsa or Kansas City standards of efficiency and reliability.

One of the most sophisticated computer simulation models of an EMS system was developed by researchers using Kansas City data for validation. When a combination ALS/BLS system was compared with an all ALS system operating fewer units (to adjust for slightly higher unit costs), overall ALS response time, and even overall response time in general, was faster with the all ALS system. This may be difficult to "swallow", but an underlying reason is that, in the combination ALS/BLS system, overall response time may be lengthened by the fact that the ALS unit may not be dispatched to a presumed "BLS call", even though the ALS unit was closer. The next call in the simulation will, then, sometimes be from the location just vacated by the BLS unit, forcing the ALS unit to also produce a lengthened response time. When peak-loading conditions get really extreme, the computer may be forced, like "real world" dispatchers, to simply dispatch the next available ambulance to the next call, which may mean that ALS units are deliberately dispatched to BLS calls since, having been "reserved", they are now the only ambulances left. (The two-tiered New York City EMS system experiences this phenomenon almost daily.)

By failing to dispatch the "nearest ambulance" all the time, the combination ALS/BLS two-tiered system eventually lengthens both ALS response time and response time in general. The all ALS system, even with slightly fewer units available, will out-perform the two-tiered system simply because the "nearest ambulance" rule can always be followed. (There is one exception to the "nearest ambulance" rule in the Tulsa and Kansas City systems -- that is, nonemergency requests are responded to by the ambulance stationed at the "post" least likely to receive an emergency call.)

Finally, the two-tiered system assumes rather naively that it is possible to reliably distinguish an ALS call from a BLS call on the telephone. The fact is that it is impossible even to reliably distinguish emergency calls from nonemergency calls on the telephone, and therefore the concept of "telephone triage" of emergency calls must be considered an unrealistic allocation method.

I have devoted considerable attention to debunking the myth of the two-tiered system, since we believe it is virtually impossible to develop a cost-effective and clinically reliable ALS service in the presence of a two-tiered emergency response design. (For that matter, we believe it is impossible to eliminate substantial city subsidies for the financing of a good ALS system so long as revenues from the so-called "nonemergency work" are diverted to the maintenance of a separate nonemergency service industry.)

B. The myth of the average response time.

A great many people firmly believe that the concept of "average response time" provides a useful and important device for assessing the performance of an EMS system. In fact, the concept of average response time can be extremely misleading to policy-makers reviewing system performance. The case of Fort Wayne is an excellent example. As mentioned earlier, the "average response time" for ALS is slightly over eight minutes. But, if the patient risk is excessive when ALS response is over eight minutes, then an average response time of eight minutes must be considered terrible. To put it another way, if the average response time is eight minutes, then approximately one-half of all patients are getting a very bad deal -- one that could kill them.

In our own work, we look at average response times only to obtain an idea of how response time performance is distributed among various areas of a community, and by time-of-day. We look at the average response time to ensure that every neighborhood of the city is receiving approximately equal treatment, and to determine which times of the day are giving us the most trouble and where.

Other than helping to equalize response time performance around the clock and geographically, the concept of average time is practically useless in EMS system evaluation.

In Kansas City, we have achieved delivery of ALS service to 95 percent of all ALS calls within eight minutes. We don't care what the average is, we want to take care of everybody within eight minutes. We mentioned earlier that an optimum response pattern is a four-minute first-responder maximum, followed by an eight-minute ALS maximum response. Response time faster than four minutes for first-responders and faster than eight minutes for the ALS unit appears to approach the "point of diminishing returns." Therefore, struggling to improve the "average" response time in Kansas City will save fewer lives than working to compress all responses into the eight-minute maximum.

C. The myth of billings versus subsidy.

Many people feel that there is something inherently wrong, or even immoral, in financing ambulance service on a fee-for-service basis. If that is true, then there is something wrong with financing any health service on a fee-for-service basis, and that may be true.

However, we can and have proven that approximately 40 cents out of every local tax dollar used to finance the ambulance service has the effect of subsidizing the Federal Government and private insurance companies by reducing the bills for those third-party payors. The City of Fort Wayne, in effect, finds itself in the odd situation of using local tax dollars to subsidize the Federal Government and private insurance companies.

The fact is that ALS ambulance service is more akin to the health care industry than it is to local services such as Police and Fire protection. Local taxpayers have already paid taxes to support the Medicare and Medicaid programs, and many of them possess private insurance policies which, under certain conditions, will cover all or part of ALS ambulance service. To the extent that the ALS system fails to bill for these services, the local citizens pay twice for ambulance service.

There are also those who believe there is, to use the economist's term, considerable "price elasticity" of demand for ambulance service. That is, there is a belief that people in genuine need of ambulance service may refuse to call for service if they realize a fee will be charged. However, our own experience in instituting billing systems, some with full-cost-based rates, indicates that there is practically no "price elasticity" of demand for ambulance service when the ambulance service was really needed. But, instituting a billing policy will eventually reduce abuse of the system from persons who view the ambulance service as a cheap alternative to a taxi, if they can only convince ambulance personnel of their need.

Many "free" EMS services, and some which utilize ineffective billing and collection practices, devote up to one-half of their run volume to responding to calls from people who could as easily have taken a cab to their hospital or doctor appointment. An effective billing system is the only way to reduce this intentional abuse of valuable resources by a small segment of any population. In the Tulsa system, a collection rate of 78 percent has been achieved. Persons who are able to pay or who are appropriately insured are required to pay for services rendered. Maximum reliance upon third-party resources is achieved through a sophisticated data, medical billing, and collection system. The 22 percent loss for uncollectibles is almost entirely attributed to bills owed by persons who, for one reason or another, are both unable to pay and are without insurance from federal or private insurance programs. When financial hardship is apparent, and when it is determined that ambulance service was medically necessary, the debt is forgiven and billing efforts are terminated.

There is nothing inherently inhumane about the effective utilization of America's health care financing mechanisms. In fact, we believe it is the responsibility of EMS administration to reduce the local taxpayer's burden through professional participation in America's health care financing systems, so long as a sensitive billing and collection practice is followed in dealing with medically indigent persons in genuine need of ambulance service, but who have somehow "slipped through the cracks" of America's public assistance programs. (Please note that, in the Tulsa system and soon in the Kansas City system, all billing and collection efforts are done by mail or phone after service was rendered. Ambulance personnel are strictly prohibited from any billing or collection involvement.)

D. The myth of the private operator.

No management consultant company has more experience or better credentials than we have in establishing reliable and cost-effective ambulance systems using private-for-profit contractors selected through competitive procurement. Therefore, we feel fully qualified to clarify the issues surrounding the myth of the private operator and profit motive.

"The magic" behind our success is not so much in the fact that we have utilized private operators, but rather from the fact that we insist that our client (the city) maintain a realistic capability to "switch" operators should quality or efficiency decline. The most efficient EMS systems utilize private operators in essentially a monopoly environment. However, there exist very inefficient ALS systems operated by private companies as well. (For example, consider the privately operated Eugene, Oregon EMS system which, in spite of its clinical excellence, has average billings for emergency and nonemergency service respectively of approximately $345 and $260 and the company operating the service is involved in bankruptcy proceedings at that.) Even in our own privately operated EMS systems, only certain functions are contracted out to the private company. Equipment ownership, billings, collections, rate-setting, and many other functions are retained by the public sector for a variety of reasons having to do with insuring continuity of care under all conditions.

Any time an ambulance service operator, public or private, is found to be performing with reasonable efficiency (i.e., reasonable "unit-hour" costs and good unit-hour utilization) there can be no good justification for initiating the expense and trauma of competitive procurement of a new operator and the resulting complex changeover in operations. While the present Fort Wayne city operation does not meet all the standards of a fully developed ALS system, its current cost of producing a unit-hour of production time is well in line with reasonable standards of comparable private services, and because of the extreme overloading of the present production capacity in Fort Wayne, unit-hour utilization (i.e., ratio of run volume to unit-hours produced) is quite effective and probably cannot be improved upon since the system is grossly overworked as it is.

Therefore, while this report will recommend maintaining a continuous and expert watch on production efficiency with an eye toward a competitive selection of an alternate provider of service if necessary and appropriate, we can at this time see no good reason for abandoning the EMS management expertise that has already been developed by the Fort Wayne city system.

E. The myth of control.

Probably the most common mistake in planning and managing advanced life support systems is the attempt to design a "control" structure without first assessing the kinds of decisions that must be made to achieve life-saving performance at reasonable costs. This kind of mistake is common throughout the health care industry, particularly in the areas related to the "Comprehensive Health Planning" programs and sometimes in the new "Health Systems Agencies" and "State Health Coordinating Councils." In fact, throughout the not-for-profit sector, when constituting a "board", "advisory council", or other such policy-making body, it has been common practice to ignore the kinds of decisions to be made and the kinds of expertise required to make such decisions effectively, while replacing expertise, judgment, and experience with "equitable" political representation of nearly every special interest group having a vested interest in the status quo.

Of course, that all sounds theoretical -- even philosophical. But, in fact, our company's success in EMS has, to no small degree, resulted from willingness on the part of our client cities to abandon old habits in favor of insuring the proper mixture of expertise -- not vested interest -- on the various policy-making bodies controlling the critical decisions which, eventually, determine results.

In operating an EMS system, local or regional, there are really three separate kinds of top-level policy-making activities which must be vested in some formal authority. Furthermore, when the kinds of decisions to be made are carefully analyzed, it becomes clear that the structure that can oversee one of the three areas of policy-making will probably not do well in dealing with the remaining two areas of policy-making.

Viewed at a general or abstract level, the "control" of a local EMS system would seem to be loaded with political implications. In fact, however, most of the decisions to be made are anything but political and, if dealt with properly, usually require a combination of expertise, hard work, and almost boring attention to detail. To prove this, I would suggest that the skeptical reader attend a typical board meeting of Tulsa's Emergency Medical Services Authority (EMSA), or a typical meeting of Kansas City's Metropolitan Ambulance Services Trust (MAST), or either of the two cities' Emergency Physicians Foundation Board meetings. In all cases, persons involved in these meetings are expert in the areas under discussion, fully informed through continuous involvement, and the decisions being made in these meetings involve important, but hardly dramatic, issues such as consideration of addition of the "Miller body splint" to the required equipment package, the effect upon rates of adding new equipment, adjusting vehicle placement to correct a response time deficiency during a certain time of the day in a certain part of the city, hiring a new

Assistant Director in charge of quality assurance, figuring out what to do about a proposed Medicare payment policy change, etc.

The three areas of policy-making involved in ongoing ALS system management are:

1. Clinical standard-setting including: diagnosis-specific and problem-oriented medical protocol development, appropriate equipment standards, personnel certification standards, and ongoing medical audit processes.

2. Operational control including hiring and firing of personnel within parameters established by clinical standards, procurement and maintenance of equipment within those standards, scheduling of personnel to achieve the best possible distribution of available unit-hours by time-of-day and day-of-week, and a wide variety of other day-to-day management activities essential to producing services which meet the defined clinical and response time standards within the budget available.

3. Financial policy-making including: decisions concerning equitable "tradeoffs" between subsidy and rate structures, assuring a fair balance of production costs versus revenues among the various jurisdictions of a system serving more than one unit of local government, maintaining an awareness of comparable costs of similar services produced by other EMS systems in the industry, and other policy-level activities related to the business aspects of service delivery.

In the recommendations related to "control", described in Section IV, below, I have been careful to distinguish the types of decisions involved and, hopefully, I have recommended a structure which will bring to bear the kinds of expertise necessary to quality decision-making in each area of concern. It is my view that the ultimate power to govern the operation and financing of any EMS service in a community rests with the locally elected officials, and that is all the political representation that is necessary. Beyond that, we should be looking for active interest and expertise appropriate to the kinds of decisions to be made.

The list of specific recommendations provided immediately below assumes that the reader has read all of the material preceding Section IV.

A. Institute new data, billing, and collection systems. An advanced life support EMS system transporting over 11,000 patients annually requires the support of a clinically-oriented automated data system capable of documenting and analyzing dispatch data, basic patient information, patient history and condition information, a detailed record of sequential vital signs and orders given, procedures rendered, supplies utilized, and a variety of miscellaneous associated data necessary to accountable documentation of who the patient was, what specifically was wrong, what was done, who participated in rendering the service, and what equipment and supplies were utilized in rendering the service.

Properly designed and managed, such a data system will provide routine analyses of demand and response patterns by time-of-day/day-of-week, geographic area, and a variety of other information necessary to "fine-tuning" system response. Such a system is also capable of generating thoroughly detailed professional medical billings of a highly itemized nature to allow full accountability in dealing with both private paying-patients and third-party payors.

The system should be capable of providing differential billings at a variety of price schedules, depending upon political jurisdiction in which the service was rendered. (Rate structures in various jurisdictions may differ depending upon the collection history of the residents, differences in cost of production, and differences in method and amount of local tax subsidy, if any.) Automated medical/management information systems in both Tulsa and Kansas City represent examples of systems capable of the kind of sophisticated analyses, accountable documentation, and effective financial management described here.

While the data, billing, and collection systems should be capable of fully itemized routine billings for patient services, it should also be capable of handling billings for such services as: "special events coverage" by Paramedic team manning an aide station, an allocated but not dedicated mobile unit, or a fully-dedicated unit, depending upon the "exhibitor's" needs. (A "special event", in this case refers to sporting events, rock concerts, political rallies, and other events for which special medical coverage may be appropriate.) The management of the data, billing, and collection systems should be expert in negotiating on behalf of the service system with public and private third-party payors, other units of local government interested in participating in the service system, etc.

It is recommended that, initially, all production costs should be billed at full cost of service delivery, including supplies utilized, exclusive of costs of losses from uncollectibles. Base rates, waiting times, oxygen, and fully itemized listings of expendables and supplies utilized should be billed, since those items are acceptable for Medicare reimbursement. All patients should be billed at the full cost of services received, with the present city subsidy being used to offset losses from uncollectibles resulting from "write-offs" and "adjustments" due to the acceptance of "assignments" on Medicare and/or Medicaid patients, as well as from debts "forgiven" in cases of persons experiencing a bona fide need for ambulance service and for whom payment of the bill would represent a true financial hardship.

Using such a billing philosophy, private paying-patients and third-party payors would be billed for the full actual cost of services received, and fees paid would not be used to offset costs of delivering services to any other persons. The city subsidy would, then, clearly be used to finance care for those persons who, for one reason or another, are ineligible for full insurance coverage, or who are uninsured and unable to pay, I recommend establishing any city subsidy as, in effect, a "last resort" third-party payment source against "write-offs" and "adjustments" may be posted to insure full accountability to elected officials concerning what services were paid for with city tax dollars, and for whom.

B. Utilizing additional revenues generated from the billing system, along with the existing level of city subsidy, production capacity should be expanded to approximately 650 unit-hours per week, varying between three and six ALS units, depending upon time-of-day and day-of-week patterns of demand. (I recommend immediate institution of a more detailed dispatch data card so that appropriate analysis of demand patterns and response factors can be completed prior to expansion of production capacity.)

Besides the addition of more unit-hours to correct system overload, and to achieve the response time goals of four minutes maximum for first-responders and eight minutes maximum for 95 percent of ALS calls, I also recommend: instituting a more formal equipment replacement program; addition of a full-time EMS equipment maintenance specialist to supervise and manage EMS equipment maintenance; and using specialized EMS Paramedic dispatch personnel, trained in EMS dispatching and "systems status management" as necessary to achieve the desired response time performance with the limited financial resources available. (Maintenance and dispatching costs are not now included in the City's EMS budget, and therefore formalizing and upgrading these two important functions will appear to represent a much greater increase in EMS costs than is actually the case.)

C. The new "Horten" ambulance should be retained, and all other ambulance units should be refurbished and sold as soon as replacement equipment can be secured. The cost of maintenance, down-time, lost personnel time, and possibly human life associated with continued use of any current rolling stock except the recently purchased Horten unit will not justify retention of this equipment. A conservative preventive maintenance program appropriate to the delicate and sophisticated equipment utilized in ALS service delivery should be instituted immediately. Since six units will be required on the streets during peak-load periods, I recommend that a minimum of nine reliable vehicles, and preferably ten such vehicles, should be maintained to support the system.

The reader is asked to keep in mind that, with a planned equipment replacement program, rolling stock will be replaced automatically after reaching a certain mileage level, which means that the cost of owning additional backup units is merely the interest lost on the money used to purchase the equipment, since, if more vehicles are owned, they will simply depreciate more slowly than if fewer vehicles were owned and utilized more intensively. The increased cost of the additional backup units will be more than offset by reduced down-time, better scheduled preventive maintenance, less expensive overtime pay for maintenance personnel, and the system will have the advantage of additional production capacity in disaster situations. (Should the system expand to include countywide responsibility, production capacity will have to be re-evaluated accordingly.)

D. Precision "systems status management" operations should be developed and instituted as soon as possible. For those who are not familiar with this type of precision allocation and management method, we can supply examples from the Kansas City system which, through very sophisticated "systems status management", has managed to reduce unit-hour utilization from 2,350 unit-hours per week to 1,800 unit-hours a week, while simultaneously improving average response time, maximum response time, and distribution of response time geographically throughout the City. (In the Kansas City system, we have recently developed an automated dispatcher aid utilizing an "Apple" computer of the type currently owned by the city and apparently available for conversion to use as a dispatching aid.)

Precision systems status management involves developing a separate plan of vehicle allocation for each hour of the day, each day of the week, or a total of 168 separate allocation plans based upon changing demand patterns. For each such plan, vehicle distribution is developed to assign vehicles to "posts", in this case, starting with the assumption that six vehicles are available, where should they be located? Then, if one of those vehicles was dispatched, where should the remaining five vehicles be located? And, so on, down to one vehicle. This insures that, whatever production capacity remains available to the dispatcher at any point in time, it is distributed geographically in the best possible way to insure best response time performance.

While systems status management in Fort Wayne is not nearly so complex as in Kansas City where up to 18 units may be employed at a time, some degree of increased sophistication will be necessary to achieve the desired response time performance, and should the system expand to include countywide operations, precision resource allocation will be even more important.

Paramedic-trained dispatchers with additional training in clinically-oriented telephone communications procedure, as well as in use of automated systems status management procedures, will be an integral part of improved response time performance. For that reason, we recommend placement in the dispatch center of an EMS dispatcher under the command of the EMS director, due to the highly specialized nature of EMS dispatching and systems status management operations, and to insure full accountability for response time performance in a single department.

E. For citywide operations, it is recommended that EMS dispatching be removed from the Police Department's VHF dispatch channels and converted to two of the ten UHF medical channels. Existing mobile radios and repeaters in the ambulances already have the required UHF capability, and it will be only necessary to add UHF equipment to the dispatch center to achieve this purpose. Since an upgrading of the EMS communications system will be necessary anyway, I recommend adding remote "steering" of mobile repeaters from the APCOR portables at an approximate cost of $2,500 per portable. (Remote "steering" allows the field personnel to change channels in the mobile repeater from the scene of the emergency without sending an ambulance attendant back to the vehicle to make the required adjustment. This feature is particularly useful where two-person crews operate, such as in the Fort Wayne system.)

Sufficient spare mobile radios, repeaters, and portables should be owned and maintained to eliminate any possibility of being required to operate without a full equipment complement.

Should the system go "countywide", it appears that a major procurement of an expanded UHF system to achieve reliable countywide coverage may be necessary. I recommend initiating a technical study of requirements as soon as possible, and I suggest requesting a preliminary report from Motorola on this issue. (In the meantime, city communications personnel are apparently quite capable of assessing requirements to convert ambulance dispatching to UHF as discussed herein. Present plans to relocate telemetry "patch" equipment from Lutheran Hospital to the ambulance dispatch center should, in my opinion, be abandoned in favor of upgrading training and staffing of nursing staff at Lutheran to achieve a more reliable medical control capability.

F. A physician organization similar to the Emergency Physicians Foundation in Tulsa, Kansas City, and Little Rock, Arkansas should be organized and incorporated as a private not-for-profit organization with which the City can contract to assist with conducting certain regulatory activities in the areas of medical control, quality assurance, and medical audit. I recommend that this organization have a broad-based general corporate membership made up of physicians, nurses, and

ambulance personnel interested in improving emergency medical services in this area, and it should have capability for countywide and even regional representation. To initiate this organization, I recommend that the physician members of the Quality Assurance Committee of N.E. Indiana EMS serve as the initial Board of Directors of the new corporation. (While non-physicians should be encouraged to work with the Board of Directors in an advisory capacity, experience has shown that the Board itself should consist of physicians only and that the physicians involved should be either in full-time emergency practice, or otherwise actively involved in the delivery of emergency medical services in the community.

This Emergency Physicians Organization should then be contracted by the City to perform certain regulatory activities on behalf of the City including development of medical protocols, equipment standards, personnel certification standards, and the conduct of routine medical audits, upon the request of receiving facility physicians, ambulance personnel, or as appropriate to periodically evaluate the system's ability to deal effectively with specific clinical conditions. (Articles of incorporation, bylaws, and sample city contracts for this purpose are available for review upon request.)

It has been our experience that, over the long run, the individuals in the best position to evaluate and maintain a long-term interest in system performance are those physicians who receive the "products" of the system's work. It is difficult to "fool" emergency room physicians who receive nearly every seriously ill or injured patient handled by the ambulance service system. Furthermore, emergency physicians are becoming increasingly expert and specialized in their field, as well as increasingly knowledgeable of advanced life support prehospital care procedure. The decisions to be made by the physician organization are, or should be, strictly clinical in nature, and should be independent of political pressure. The work involved will, if done properly, require at least one day per week of physician time for conduct of medical audits, as well as additional time on the part of the Chairman of the Board to conduct routine organizational business and coordination. Initially, considerable time will need to be invested by the organizers of the group, since the development of a new and more formal system of quality assurance will have certain "startup requirements" which may be expected to eventually become less time-consuming and more routine.

Physicians involved in this effort should be paid for time devoted to equipment inspections, protocol development, and medical audit hearings, but time spent at regular monthly organizational meetings will not be compensated, as required by laws governing the operations of such tax-exempt organizations.

Should the system go countywide, any unit of local government having the power to regulate ambulance services can participate

in the quality assurance program by entering into an "Intergovernmental Cooperation Agreement" with the City of Fort Wayne. Such agreement would declare that the participating jurisdictions will jointly regulate the ambulance industry, designating the City of Fort Wayne as the administrative agency for the "cooperative", with the City of Fort Wayne, in turn, contracting with the Emergency Physicians Organization as discussed above. (The "Interlocal Cooperation Act" empowers any two or more units of local government to join together to do collectively anything that the respective units of local government could otherwise do separately. The act further empowers the units of government in the "cooperative" to designate one of the member governments as the administrative agency in charge of managing the program in accordance with the agreement.

G. In order to guarantee reliable advanced life support coverage of all emergencies, the City must pass a licensing ordinance and adopt appropriate regulations to require that all ambulances rendering emergency care in the City, including those operated by the City, meet stringent new standards in excess of state requirements. Such an ordinance should require licensure of ambulance operators, issuance of permits for emergency vehicles, and special certification of ambulance drivers, attendants, and dispatch personnel. Standards should include high quality in-service training to be furnished by the ambulance company, requirements related to data collection and reporting, central dispatching, compliance with systems status management procedures, participation in medical audit processes, and numerous other production standards appropriate to the reliable delivery of advanced life support emergency care.

(In a city the size of Fort Wayne, the practical effect of such a requirement is likely to be the elimination of emergency service operators except the City's own subsidized ambulance units. While it is possible that an additional operator could supply a vehicle and possibly personnel qualified under the ordinance, it is unlikely that a small operator could comply with in-service training standards, communications standards, response time standards, medical audit standards, performance security standards, and numerous other production standards appropriate to fully developed ALS emergency systems.)

It is further recommended that, at a minimum, any company operating a nonemergency transfer service in the City also be required to comply with certain minimal standards related to record-keeping and reporting, equipment, and personnel. Even nonemergency ambulance service providers should be required to comply with medical audit and other quality assurance inquiries, since no other agency exists to perform this function.

Should the system expand to serve beyond the city limits, this ambulance licensing law and its regulations should be adopted by other participating jurisdictions having the power to regulate under state law, and regulations should be administered jointly as discussed under Item F, above.

H. In order to meet the ALS response time goal of eight minutes to 95 percent of all ALS requests, ambulance coverage will have to be increased substantially. As a result, there will be times when, due to normal fluctuations and demand, production capacity will be underutilized. In order to offset costs of this periodically underutilized production capacity, it is recommended that the City EMS operation advertise a separate telephone number for nonemergency transfer service, and that a lower rate be established for nonemergency service. (Again, in both Tulsa and Kansas City systems, superior ALS response time is partially financed through "off-peak utilization" of surplus production capacity in the performance of nonemergency transfer work.)

As in the case of the Tulsa system, the City should offer reduced rates for transfer service scheduled 24 hours in advance, and should negotiate a special Union contract provision to allow off-duty employees to run calls using backup equipment for a fixed labor fee. Using this model, additional revenues can be generated at "marginal costs", thereby financing either expanded production capacity or, eventually, reduced city subsidies; and, in the bargain, residents would be receiving superior transfer service at reduced rates.

I. In order to implement more precise systems status management procedures, it will be necessary to negotiate a new Union contract. The most efficient ALS systems in America utilize extremely complex personnel scheduling patterns, but one of the most flexible Union contracts in shift schedules we have worked with is currently in place in Kansas City, utilizing a 56-hour work week for all personnel, while some personnel may work 24-hour shifts, 15-hour shifts, 12-hour shifts, 8-hour shifts, or some combination of these to achieve the 56-hour week. Shift schedules are posted periodically, and under Union supervision employees "bid" on desired schedules based on seniority. (This shift bid procedure was, in part, adapted from Trans World Airlines' bid procedure for Flight Attendants.)

It is recommended that the switch from the current 40-hour work week to the proposed 56-hour work week be priced assuming a salary based upon the previous 40-hour rate, plus time-and-one-half for an additional 16 hours. However, persons working less than the 56 hours, or more than the 56 hours, at the request of management, would have pay adjusted at the time-and-one-half hourly rate. Numerous other changes in the Union contract will be appropriate to full-scale implementation of superior systems status management procedures, but these will not be detailed in this report.

J. A more formal citizen CPR first-responder training program should be developed and instituted. All first-responder activity by Fire and Police should be incorporated in the data system. (At present, there is no reliable way of evaluating first-responder performance and first-responder response times.) The most important aspect of this recommendation is an aggressive step-up in citizen CPR training. A minimum of 20,000 adults currently certified in CPR first-responder procedures will be necessary to achieving the desired life-saving performance. (At present, nearly one-half of the adult population in the City of Seattle is CPR-trained and certified.)

In order to achieve this high level of citizen awareness and training, approximately 80 classes with 20 students each will have to be held every week, and this training level will have to be maintained continuously if annual recertification is to be achieved. A CPR registry system can be maintained in conjunction with the EMS data system by treating the CPR reminder letter in the billing computer as though it were a "dun" for a payment. In this manner, the accounts receivable computer file structure and report programming utilized for billings and collections can also be utilized to remind followup on persons due for CPR recertification on a weekly or monthly basis. Initial CPR training efforts should be directed toward achieving a distribution of at least one or more CPR-certified adults in every business office and department in the community.

Should the system go countywide, the CPR first-responder training program should be expanded throughout the county, and volunteer fire and volunteer ambulance units should be encouraged to participate in a formal manner, including communications equipment with dispatching, on a first-responder basis. Individuals throughout the county who wish to further assist in the first-responder program should be offered training and the opportunity to purchase or lease pagers at their own expense which can be paged on "on-call" basis by the dispatch center, when appropriate. Of course, formal participation in such an organized first-responder program will require special training, periodical refresher training, willingness to conform with system protocols and procedures, etc. To achieve life-saving systems performance in difficult-to-serve rural areas, creative and resourceful utilization of all volunteer help throughout the county will be necessary, coordinated and backed up by an all-ALS emergency system.

K. A number of changes and procedures will be necessary to accommodate further fine-tuning of system performance, particularly as regards the goal of "squeezing" more response time performance out of the unit-hours available. While the techniques for maximizing performance from limited EMS resources are too numerous and detailed to be described here, the following examples are offered to illustrate the kinds of improvement to be made:

1) The number of "ambulance posts" at which ambulances can be based for dispatching should be increased to allow persons developing more precise systems status plans maximum flexibility in selecting ambulance "post" locations at various times-of-day and day-of-week. For example, in Kansas City, there are currently 27 "posts" at which, some time during the week, an ambulance will be based, while ambulance coverage varies from a minimum of 9 to a maximum of 18 units. In other words, results are best achieved when persons working on systems status plans have a wide range of choices of places to locate ambulances to achieve the best possible response times under a variety of changing demand conditions. (If the system goes countywide, the availability of more ambulance bases will become even more important.)

2) Hospitals, whenever possible, should be available to use as ambulance bases, since their locations may in many cases (at many times-of-day/day-of-week) be desirable as posts, and since ambulances often complete their runs at hospitals. If an ambulance completes a delivery to a hospital, and if that hospital is, at that time, well located as a base for that ambulance, then there can be no justification for the extra expense of moving that ambulance away from the hospital. In Tulsa, each major hospital provides ambulance parking space and a small room for ambulance personnel to await calls, and in which the ambulance operators can keep a controlled supply cabinet for restocking ambulances at the end of a run. This practice makes for more rapid return of the ambulance to "available" status than can be achieved if ambulances must restock supplies from a more distant point.

3) Reducing the "average time out of service on a run" is an important factor in fine-tuning system performance with limited resources. While the data system analyses "hospital drop times", the time delay between point of dispatch and "en route" status, and numerous other factors to locate crews developing bad habits which reduce their effectiveness, experience has shown that much can be done to improve performance of the ambulance system by making arrangements with the hospitals to institute an equipment "swap" program. For example, when a patient is brought into the hospital on an ambulance cot and wearing a traction splint, it may sometimes be both clinically and economically preferable to "swap" both cot and splint so that the ambulance can return to service more quickly. To effect this more rapid return to service, spare cots, splints, and other equipment items are kept in the ambulance attendant room in the hospital, and the charge nurse or other hospital personnel signs for ambulance equipment

left with the patient, and returns that equipment to the ambulance attendant room when convenient.

4) Another very important area in which hospitals can assist with improving ambulance service is to establish a cooperative working relationship between the ambulance operation's data entry clerk and hospital medical records personnel. While ambulance attendants can and must complete the "run report form", information concerning patient condition, and ambulance supplies utilized in serving the patient, it is sometimes extremely difficult to obtain vital patient information necessary to effective billings. If the patient is unconscious, or if the situation makes getting such information impractical at the moment, the ambulance can be returned to service much more quickly, without sacrificing needed revenues from billings, if hospitals will cooperate by allowing the ambulance attendant to enter the emergency room admitting number on the ambulance run report form, so that the ambulance system data entry clerk can, on the following day, call the hospital medical records department to gather the necessary billing information such as name, address, Medicare I/D number, etc.

There is probably no better way in which hospitals can assist an advanced life support ambulance service in financing additional production capacity, while simultaneously making better use of existing production capacity, than creating a cooperative relationship between the ambulance systems data entry clerk and hospital medical records personnel as described here.

L. The organizational structure of the ambulance service should be designed to include some form of nonpolitical oversight of the financial management of the system, legally structured in much the same way as was recommended for physician-supervised medical audit and quality assurance.

Here again, we have a situation in which business expertise is more important to the oversight function than is political representation. The purpose of financial oversight is to provide unbiased and expert review of the financial management practices of the system, including rate structure, billing and collection practices, production cost evaluation and, when multiple jurisdictions are served by a single ambulance operator, it will be important to insure that rate structures and subsidy arrangements, as well as ambulance coverage offered each political jurisdiction, are fair and equitable.

This financial oversight function requires considerable financial management expertise on the part of persons involved. It is recommended that some form of rate review commission, authority, or advisory council be established by city ordinance to monitor

and make recommendations concerning rates, subsidy levels, capital needs, and other complex financial aspects of an ALS system operation. An important function of this group will be to maintain a fully-informed awareness of unit-hour production costs and unit-hour utilization in the Fort Wayne system, as compared with production costs and effectiveness in other ambulance systems throughout the country. In this manner, should the City ambulance operation become inefficient and/or ineffective, this impartial and well-informed group can publicly recommend that an alternate service operator be sought through competitive procurement processes. Thus, the maintenance of a genuine capability to switch ambulance system operators from a public to a contracted private operation can be realistically maintained.

Should multiple political jurisdictions be served by the ambulance system, the same use of the "Interlocal Cooperation Agreement", described for multijurisdictional use of the Emergency Physicians Organization (see Section IV, Item F) can be used to effect joint use of this independent financial oversight entity.

Whether structured as a commission, authority, or advisory group, this financial oversight organization could either be given a power to review financial aspects of system operations and recommend rate-subsidy tradeoffs to participating units of local government, or this entity could be given the power to set rates for the ambulance service operation throughout its service area.

However it is organized, and whatever powers it is given, the organization responsible for financial oversight of the ALS system must have expertise -- not necessarily broad-based representation of various special interest groups.

Tulsa's EMSA Board and Kansas City's MAST Board are good examples of similar structures which operate well due to the presence of the proper mixture of expertise on the Boards. In both cases, "trust indentures" allow appointments to the Boards (on staggered terms) of individuals who must be selected to achieve an appropriate mixture of talent on the Board. It is advisable to include the Chairman of the Emergency Physicians Organization on the financial oversight board, to insure understanding of the medical need for new equipment, additional training, or other expenditures which may influence production costs. The rest of the financial oversight board should consist of persons knowledgeable of complex business operations from the private corporate world, expertise in hospital financial management, business law, and government finance.

M. It is recommended that the City of Fort Wayne immediately pursue the development of its own ALS system along the lines outlined in this report, but that every effort should be made to expand the

service system to serve on a countywide basis. Even if the decision to develop the system to full countywide coverage is made at an early stage in the development process, it will still be desirable to complete the expansion of the system citywide, so that cost projections for expanding to include the entire county may be made more accurately.

In economic terms, a reasonable "average cost" for producing an ALS unit-hour is around $40, while the "marginal cost" of adding additional production capacity to an already existing service system falls in the range of $15 to $20, depending upon whether additional equipment is required. This means that service to the county can be rendered much more inexpensively by a fully-developed citywide system than by attempting to duplicate the same production capacity in a separate ambulance service system. (Readers interested in the economics of this industry may find it useful to know that the "average cost curve" does not "flatten out" until an ALS system is serving something over one million people.)

Planning should be started immediately to assess the cost of installing a reliable UHF communications system for countywide service but, other than that, the best thing anyone can do to prepare for countywide implementation is to complete the development of the citywide system. That is because it will be difficult to project the "add-on" costs of a countywide system if the costs of the system "being added on to" are not known.

Miscellaneous Issues: Several remaining issues are discussed in this section which did not fit well into previous discussion items:

1. An ALS system operation needs to work out of an office environment which, as much as possible, allows for day-to-day coordination of operations. Additional space will need to be found to house the ambulance service's data, billing, and collection operations, and these should be located in close physical proximity to other administrative functions of system operations. (We do not recommend use of a remote data processing "service-bureau" approach to handling data entry, data processing, billing, or collection functions. Such remote operations do not function well in the ambulance service industry, for reasons which can best be discovered by visiting the administrative offices of the Tulsa EMS System -- a system with a production capacity similar to that of a countywide operation here. I strongly recommend that a small delegation be sent from this area to inspect the Tulsa operation, due to the similarity in call volume and geographic area of coverage.

2. It appears that an unnecessarily high frequency of traffic accidents involving ambulances is occurring in the present system. Responsibility for operating an ambulance vehicle in an entirely safe manner should be considered prerequisite to continued certification of ambulance personnel by the City. Personnel involved in ambulance-related accidents should routinely be subjected to review by the contracted Emergency Physicians Organization, and should be subject to suspension or revocation of city certification in the event it is found that emergency driving privileges are being abused. Involving an ambulance in a traffic accident is an extremely unprofessional and unnecessary act, and it appears that, as compared with ambulance accident rates in Tulsa, the present Fort Wayne system is experiencing excessive involvement in traffic accidents. The quality assurance "subsystem" of the recommended EMS system can and should be utilized to reduce ambulance involvement in traffic accidents to nearly zero.

3. Everyone involved in EMS system development is well advised to avoid references to "clinical save rates" and other such dramatic indicators of system performance. Ambulance service evaluation is much more complicated than such simplistic emphasis would seem to indicate. What the community is looking for, or should be looking for, is a system which meets the response time standards recommended in this report, delivers clinical performance in accordance with diagnosis-specific and problem-oriented medical protocols established for this service area, and does so with reasonable economic efficiency as compared with other systems of comparable performance capability.

   Actual documentation of "clinical saves", or other assessment of reduced morbidity or mortality requires very expensive and sophisticated clinical and statistical analysis of a large amount of data on hundreds of patients, and also requires use of hospital discharge data to ascertain whether the "save" was genuine. A patient-outcome study in EMS normally costs several hundred thousand dollars, and is conducted by clinical researchers of national reputation. While the concept of "clinical save" makes for good press coverage, less dramatic but equally important indicators of financial, response time, and clinical performance must be relied upon.

   We know from the well-done (and well-financed) research of others that the four-minute first-responder maximum, and the eight-minute ALS response maximum are desirable from a perspective of patient outcome. And we also know that it is reasonable to assume that, when modern standards of emergency procedure are followed, chances of desirable patient outcome are improved. Therefore, practical and useful system evaluation must normally focus upon the "process measures" of response time performance, compliance with clinical protocol, and production cost-efficiency. We can only occasionally relate these to measured patient outcome by means of validated research.

V. Cost Projections and Implementation Schedule

If the Fort Wayne EMS System is upgraded to full ALS capability as generally described in this report, and if production capacity is expanded to realize an ALS response within eight minutes on 90 percent to 95 percent of all ALS calls, and if the system can be operated with efficiency equal to the most well-managed systems in America, total annual production costs, including equipment financing costs, should be in the range of $1,300,000 for the Fort Wayne System. (If the system is expanded to cover the entire county, additional cost and revenue projections will have to be made based upon a variety of rate structures for service to be rendered in the county in relation to the "marginal cost" of providing additional unit-hours of production time for county coverage.)

To finance badly needed system upgrading and production capacity expansion, this report has recommended the rapid institution of a professionally designed and operated medical billing system based upon a rate structure priced at full production costs, exclusive of losses from uncollectibles, using pricing strategy and collection procedures designed to maximize revenue from public and private third-party payment sources.

The general steps to be taken to proceed with system impelementation are as follows:

A. A city ordinance must be passed to regulate ambulance service within the city limits, and to institute full-cost-based billing practices. The regulation should also require compliance with reasonable data and reporting standards for all ambulances operating in the city, both emergency and nonemergency, and should require the payment of a "franchise fee" or "license fee" of approximately $2 per patient transported, with such fee to be paid to the City's licensing office, and the fee shall in turn be used to contract with the physician organization to pay for the cost of monitoring, evaluation, and physician-supervised regulation of the City's ambulance service. (Please note that many other regulated industries have long been required to pay license fees and permit fees as a means of financing regulatory costs. Costs of regulation and supervision are in an inherent cost of "doing business" in the ambulance industry, as well as in numerous other industries, and we believe the full cost of the service should be included in any vendor's rate structure.)

B. A physician-controlled quality assurance organization should be incorporated and a contract should be executed between the City and that organization to initiate regulatory processes. (It should be noted here that the ambulance ordinance should provide for a scheduled upgrading of equipment, personnel, and response time requirements, rather than an immediate upgrading. It seems reasonable that initial upgrading of the citywide system could be achieved within approximately 120 days after passage of the ambulance ordinance.)

C. Financing should be arranged for the required additional equipment, including rolling stock and initial communications system upgrading required for conversion of citywide ambulance dispatching to UHF frequency. The procurement processes related to purchasing such equipment should be initiated immediately. (Where ambulance vehicles are being purchased, the City should consider utilizing one of seyeral procurement methods which will insure that the same type of equipment is acquired in future procurements, in order to simplify and make less expensive maintenance procedures and spare parts inventory requirements.)

D. A new data system should be initiated as soon as possible, coupled with full-cost-based billings. The City should consider adopting, initially, the existing data system currently in use in Tulsa, Oklahoma, or that of some other similarly sophisticated ALS system, with remote batch processing of data to get the billing system started as soon as possible. However, the City should not continue to rely upon remote data processing and should arrange for development and operation of a complete medical/management information, billing, and collection system to be operated locally, as soon as possible.

E. As soon as full system upgrading and expansion for the Fort Wayne area is well under way, an assessment should be made concerning the "marginal cost" of adding production capacity to serve on a countywide basis, and negotiations should begin to initiate expansion of the service to a countywide system, as discussed elsewhere in this report.

AROUND THE NATION

Just as this issue was being readied to go to press, the Fourth Annual National Educational Conference of the National Association of EMTs was coming to a close in Portland, Oregon. With about 700 registrants, the conference was somewhat smaller than the 1,200 attendees anticipated earlier in the year. One of the largest issues facing the organization's leadership was continued financial stability. A $3.00 dues increase was voted in, and many of the state chapter presidents were not looking forward to bringing the news to their membership. But as one said, "Even with the increase, the yearly dues might only equal 75¢ out of a two-week paycheck—about the cost of the beer they might grab."

The much-respected Donny Stamper, president of the Missouri Chapter, was selected as President-elect of NAEMT. *jems'* own Thom Dick was the featured speaker at the Awards Banquet, which saw Murl Gallagher of Minnesota selected as EMT of the Year and Deputy Chief Bobby Moore collect the award for the Dallas Fire Department for best EMS provider. Next month *jems* will present a special report on the conference, including photos of the gurney race. (Two of the gurneys had speeds approaching 45 miles per hour as they hit the bottom of the run!)

MSI is out of business. Once considered a shining star by those elements of the private ambulance industry bent on patient-oriented improvement of their field, Medical Services Incorporated of Eugene, Oregon, closed their doors on May 5—giving the citizens of their service district less than 3 hours' notice. So said Dennis Murphy, a regional training coordinator for the Oregon State Division of Health, in a recent telephone interview.

Murphy had been an employee of the large, modern company for 14 years before leaving two years ago. MSI had been troubled with personnel problems prior to filing for bankruptcy late last year.

According to Murphy, physician complaints about loss of medical quality due to high employee attrition were being discussed at a routine EMS Task Force meeting (a group representing local government bodies and dealing with the provision of emergency medical services) when Bill Leonard, president of MSI was asked to give his viewpoint. Murphy said he stood, told the group that as of 5:00 that day they would be in the ambulance business, and walked out.

According to Murphy, the ambulance service's bankruptcy hearing would have been conducted only a week later, on May 11.

The cities of Eugene and Springfield, which comprise a majority of the 228,000 residents of Lane County (MSI's service district), had formulated a contingency plan to be used in the event that MSI suddenly collapsed. Hiring all of MSI's cardiac technicians and paramedics, they immediately purchased MSI's ambulances and assigned the provision of ambulance and paramedic services to local fire departments.

But even as MSI dropped the ball for the private ambulance industry, Medevac was picking it up.

Medevac, Inc., San Diego's contracted provider of paramedic service, survived its challenge when the City Manager's recommendation to switch provision of paramedic service to the City's fire department failed to get the needed support from the City Council.

Medevac currently provides a transport-type service with 14½ full-time ambulance units which respond with fire department engine companies to medical emergencies in the City of San Diego and by mutual aid to other areas of the County. The program is supported by user fees of $102 and an additional yearly subsidy from the City.

The City Manager wanted to implement a system similar to the Phoenix Fire Department which uses dual-trained firefighters who respond in engines or squad trucks instead of ambulances. Both Medevac and Phoenix enjoy good professional reputations. San Diego's Fire Chief, Earl Roberts, is former assistant fire chief in Phoenix and strongly supported the switch.

According to the City Manager's recommendation, San Diegans would have enjoyed a savings of more than $1 million per year by switching to the fire department, and a lackadaisical city council dallied around with the

continued on page 13

• THE LAW AND YOU •

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Ambulance Difficulties Mount

MAY 1 5 1973

By PAT ATKINSON
World Medical Writer

e financial difficulties of a's only ambulance ser- were compounded Mon- by an apparent lack of bliance with a city ordi- e regarding insuring of ilances and number of iting vehicles.

t Mace, owner and opera- f Central Ambulance Ser- confirmed he has ped insurance coverage ix of his 12 ambulances placed those uninsured ve- s "in a warehouse, off treets."

city ambulance ordi- requires that five ambu- s be "on duty" during daytime hours and an additional five vehicles available on a reserve basis.

Permits are issued for all vehicles meeting the provisions a specified, minimum amount of insurance coverage. Ambulances without permits cannot be operated.

MACE SAID HE DROPPED the insurance coverage on the six ambulances because of a premium increase May 1. "It was a case of economics."

"We are paying as much now for insurance for six cars as what we were previously paying for insuring the whole fleet (12)," Mace said.

"It costs now about $9,000 for six cars a year," he said. The stored ambulances are "serviceable and equipped."

Central's financial difficulties are not a new development. An audit reported March 28 showed the company has an average $20,000 monthly loss.

Following the financial audit report, the City-County Board of Health forwarded a resolution to the City Commission urging negotiation of a "mechanism to establish a sound financial basis for quality emergency service in the city."

TULSA MAYOR ROBERT LaFortune said Monday the city is not reviewing any specific plan for financial assistance for Central.

"We have been aware of Mr. Mace's financial difficulties. We have not been put on any notice that the service will be terminated," he said.

He added Police and Fire Commissioner Carroll Griffin is "trying to pull together data and information about ambulance services in general."

Mace said he has not set any deadlines on operation of the company. He said the major difficulty is a reasonable wage scale for ambulance personnel.

Mace said he has "lost six men in the last two months. These are trained and experienced emergency medical technicians who have all had advanced training in cardiac care."

Rural communities and other ambulance companies in the country are offering better salaries, Mace said.

"These men are entitled to twice what they're drawing now, just to reach a realistic wage," Mace said. He has not increased salaries in four years, he said.

The average take-home pay, including about 20 hours of overtime weekly, Mace said, is about $400 monthly.

DR. GEORGE PROTHRO, Health Department director, said permits will be revoked on all ambulances which are not insured.

The ordinance provides for a 10-day period for a written request to the Health Department for a hearing on the matter before the Emergency Medical Services Council, an advisory group to the Board of Health and City Commission.

The ordinance requires a minimum insurance level of $100,000 on each person, $300,000 accident coverage, and $100,000 property loss or damage for each ambulance.

The ordinance provides at least 10 ambulances must be insured and permits issued, with five cars available for operation and five in reserve.

City Inspector Blasts Ambulance 'Lock Out'

DEC 1 0 1975

By PAT ATKINSON

In reaction to occasional "lock out" of the city's ambulance inspector from Central Ambulance's dispatching office, Tulsa's health director vowed Tuesday to use other city laws to gain access, if necessary.

"This will not happen again. We're not going to tolerate being locked out," said Dr. George Prothro, City-County Health Department director.

The department is the enforcement agency for the ambulance regulations and the city pays the salary for ambulance inspector, Fred Hall.

In Hall's monthly report to the Emergency Medical Services Council Tuesday, he cited "denied access to records" at Central twice during November.

HE SAID IN OCTOBER HE WAS "locked out 12 or 14 times" during random checks at Central's headquarters.

Central owner Pat Mace said the dispatch office is sometimes locked when personnel are "transacting business, talking over personnel matters and there are papers spread out which we don't care others to see.

"When we're working on some of these things we feel like we don't want any outside interference. We get enough distraction and can't do the work sometimes," Mace said.

In checking Central's compliance with city ambulance codes, Hall times ambulance runs at random with a stopwatch. The regulations require Central to answer calls within seven minutes.

"There are other laws in Tulsa relating to interference with health officers which carry a $300 fine or 90 days in jail.

He vowed "legal action" next time Hall is denied access to Central. Hall also checks Central's compliance with ambulance equipment, stationing of ambulances throughout the city and other details in the lengthy regulations.

Mace said the "constant checking sometimes makes our personnel feel like they are criminals. Some of our personnel get irritated and take offense."

CENTRAL RECEIVES A $21,000 monthly city subsidy and 10 per cent of the total is paid only after review by the emergency medical council to see that the service is performing according to the ambulance ordinance.

The contract, effective in October, has come under council review only twice. Their first recommendation to the city was to withhold $250 of October's payment as a penalty for five times when ambulances and crews were short of the required number.

The shortage was found only once during November and members will recommend to the city withholding $50 in that month's payment to Central.

Council members agreed the quality of Central's service is high, but cited "frustration" in determining when detail violations begin affecting quality.

Tulsa.

The ambulance review committee, headed by Finance Commissioner William Morris Jr., recommended that the Emergency Medical Services Council provide for financial penalties in future city ambulance contracts in which the city subsidizes a private firm.

The review committee also recommended that the council create a contingency plan to provide emergency ambulance service if the city contractor should be unable to provide service.

Another recommendation is that the city automatically reconsider starting a city-operated service if a private contractor fails to comply with terms of his contract.

The commission approved these recommendations, but delayed action for one week on a recommendation that Central, whose contract expired June 30, be given a temporary certificate of necessity and convenience through Sept. 30. Such certificates are required to provide emergency ambulance service.

Police and Fire Commissioner Carroll Griffith objected to the recommendation, noting Central had violated its contract and has been operating without a certificate since January.

Griffith noted there is a $100 fine for providing emergency ambulance service without a certificate, and contended it would be improper to issue a temporary certificate to a company which already has violated its city contract.

It was reported in June that Central had failed to provide required monthly financial statements since July 1974.

Last month, Mayor LaFortune formed a nine-member ambulance review committee to determine if the city should operate its own ambulance service or continue to pay a subsidy to a private firm.

Central's $19,000-a-month city contract expired June 30 but the company has continued to provide service without a subsidy.

Morris conceded Central's monthly reports had been lacking but said the company has been providing quality service. "That has been the dilemma all along," he said.

Central submitted the missing reports Tuesday and they were received and filed by the commission.

The chief reason Central's certificate to operate was not renewed is the firm's failure to provide the city with profit-loss statements, payroll data and other bookkeeping information needed to insure the city has a financially sound ambulance service which will not suddenly go out of business.

However, the city also has discovered Central has been reporting response times on ambulance runs at about half the time they really take, said Dr. George Prothro, of the ambulance review committee.

After considerable resistance from the firm, the city recently bought and installed tachographs on four ambulances. The devices measure time and distance on runs.

The devices so far show that Central has been taking about twice the time to reach a patient that is indicated in the company records.

Medical officials contend Central's trained attendants and equipment are a more important factor in patient care than response time, and Central has a good record in those areas.

Response time to emergencies appears to be related to Central's failure to station ambulance in three zones around the city at all times.

The firm, practice, according to police, fire and health officials, is to respond to calls with a "roving" ambulance or one which a driver has taken home and parked in a private driveway, or from the firm's headquarters at 15th Street and St. Louis Avenue.

Central also apparently does not have a full fleet of five ambulance crews on duty at all times, but always has had a high personnel on call to meet emergencies, the officials said.

Ambulance Service Cut Again; City Calls Special Meet Today

MAY 23 1973

By ANN PATTON
Of the World Staff

Tulsa's ambulance service, reduced last week from 12 to six vehicles, was operating only two Tuesday, and the City Commission set a special meeting for 10 a.m. Wednesday to consider cancellation or modification of the operator's license.

The Red Cross has two equipped ambulance vehicles and began around-the-clock stand-by alert Monday at the request of the Tulsa Police Department, said Larry Russell, Red Cross Disaster chairman.

Russell said volunteers can provide the emergency back-up service for "four or five days," until some solution is found.

Fire Chief Stanley Hawkins has been asked to prepare cost estimates on a temporary service program which could have the city lease up to four ambulances, manned by Fire Department personnel.

MAYOR ROBERT J. LaFortune said he was notified Monday by Pat Mace, owner of Central Ambulance Service, that only two ambulances were in service. Last week Mace reduced service from 12 to six ambulances, because half his fleet had no insurance.

Mace cites financial troubles, but some city sources question whether he is trying to force a city subsidy.

Mace said Tuesday manpower problems prompted this week's cutback.

"If we had to, we could put out more cars than that (two)," he said, "but we're running short of trained help."

Trained ambulance workers have been leaving because of the pay, $1.60 an hour, Mace said. "People can go to work for a supermarket more profitably than they can saving lives.

"We've been able to serve the area all right without any problems."

THE CITY COMMISSION IS expected to set a Friday hearing on cancellation of Mace's license, which requires five ambulances in service during daytime hours and four during the night; or modification to allow Central's two in-service vehicles to operate temporarily, supplemented by city service.

LaFortune also will recommend appropriation of funds to lease up to four vehicles, perhaps from Mace, during the interim while the city decides what permanent solution can be found.

"The important thing we are concerned with is adequate emergency service for the entire city of Tulsa, and we will undertake whatever firm commitments are necessary to insure that is supplied and maintained," LaFortune said.

MACE HAS BEEN PRESSing the city for public subsidy saying he is losing money on the ambulance operation; but the commission has received his requests with public silence, except for requests for more complete financial data from Mace.

Last Friday a city committee was appointed to make recommendations on the problem, presumably including study of the city taking over the operation, perhaps by the Fire Department.

Police Commissioner Carroll E. Griffith was named to head the committee but is out of the city this week. LaFortune met with some members of the committee Tuesday before setting the special commission meeting.

LaFortune said, "I have asked our staff to contact Mr. Mace for a meeting to discuss this general situation and specifically the availability of some of this equipment for lease to the city. . . .

"While we feel this is the most feasible route, we have been other sources equipment identified that could utilize in an emergency — such as now."

12 SECTION A — APR 27 1976

Overtime Pay Suit Hits Central Ambulance Co.

Central Ambulance Service Co. of Tulsa has been sued in U.S. Court on charges the firm hasn't paid overtime wages for three years dating to April 1973.

The suit against the firm and its president, E. Pat Mace, was filed by Secretary of Labor W. J. Usery Jr. and assigned to Chief U.S. Dist. Judge Allen E. Barrow.

It served notice to the company certain documents involved in overtime work and wages must be presented June 14 to the office of Bill Hamilton, employment standards administration, in the Page Belcher Federal Building.

THE RECORDS, THE SUIT STATES must reflect hours worked and wages paid to Central Ambulance employes since April 15, 1973.

Usery filed the complaint to enjoin Mace and the firm from violating provisions of the Fair Labor Standards Act of 1938 and restraining the defendants from withholding payment of overtime compensation found by the court to be due employes under the act.

He also seeks a 6 per cent interest penalty if the court finds overtime wages are owed.

THE ACTION CITED THE FIRM for paying employes for a 40-hour work week during the three years. But it alleged the company did not compensate these employes for work exceeding the 40 hours at rates not to exceed 1½ times the regular rate.

The labor secretary's action seeks a permanent injunction from Judge Barrow directed at the company, its officers, agents and related persons, pertaining to the payment of overtime wages.

City Refuses To Allow Cost Of Bonuses

The City Commission refused Tuesday to allow for Christmas bonuses paid to Central Ambulance Service employes, from the city's monthly subsidy payments to the service.

Central had paid $2,300 in cash bonuses and submitted the amount to the city for calculation of its December 1973 subsidy.

The commission declined to approve the amount because no specific agreement for bonuses is included in its contract with Central, which would operate at a loss without the subsidy.

The commission also approved payment of $116,250 to Minoru Yamasaki and Associates for schematic design of the Performing Arts Center, the first of three phases in planning the $14 million center.

City to decide on withholding ambulance fun

NOV 13 1975

The City Commission Friday will decide whether to deduct $250 from the October subsidy payment to Central Ambulance because of violations alleged by the Emergency Medical Services Council.

The council, in a report to the commission, alleges that Central on four occasions did not have the required number of ambulances and crews on duty. The report also alleges that 13 drivers and attendants for Central have not been registered with the health department and that tachographs — machines which check distance travelled and speed — have not been fully operational.

THE COUNCIL report also alleges Central owner Pat Mace has not filed his insurance certificate, but a check of reords in the city auditing department showed the document was filed June 24.

Finance and Revenue Commissioner William Morris said today he expects the City Commission to accept the council's report and withhold the $250 from Central's October payment.

Central's contract, which went into effect in October, calls for the city to automatically pay $16,800 each month as a subsidy. Another $2,100 is paid when the ambulance firm files its monthly financial report and the remaining $2,100 is paid after a review by the council.

THE EMERGENCY Medical Services Council is an arm of the City-County Health Department, which acts as the monitoring agency for the city's ambulance subsidy contract.

The council made its recommendation to the City Commission based on reports filed by the health department's ambulance inspector. The inspector submits monthly reports on Central regarding response time to ambulance calls, required ambulance equipment and location of ambulances throughout the city.

City ordinances require the ambulance company to have five ambulances and crews operating during the day and four to operate during the night. The council report says Central had insufficient numbers of ambulances on four occasions last month.

IN SEVEN OF 16 checks by the ambulance inspector, the report said, Central did not have at least one ambulance in each of the three city ambulance zones as required by ordinance.

The council report says that a total of five ambulances and crews were short during the month of October. It recommends that $50 be withheld for each of the five shortages.

The report also recommends that the 13 unregistered drivers and attendants be registered with the health department by Dec. 1 or a money will be withheld from monthly subsidy payment.

ANOTHER recommendation at least five tachographs be c by Dec. 1 or $150 will be deduc day for each ambulance withu tioning tachograph.

The council suggested Centr bulance license be cancelled i surance certificate is not filed 30. Filing of the document in auditor's office, however, ap negates that issue.

Ambulance Firm Bonus Draws Fire

The monthly city subsidy request for Central Ambulance Service for December included $2,300 for Christmas bonuses for employes, but the City Commission balked Tuesday at paying it.

Finance Commissioner William Morris Jr. said the amount appeared as miscellaneous cash in the figures presented the city to calculate the operating subsidy the city pays to insure ambulance service.

Morris said he learned the amount was for bonuses paid in cash.

The city has been paying a subsidy each month since last summer while auditing Central's books to determine how much in the red the operation runs.

The experimental subsidy is to continue through this month at least while the city determines whether to continue with Central, the city's only ambulance service, or provide the service through some other option, such as ambulances operated by the City-County Health Department or city Fire Department.

CENTRAL IS A private firm. Morris said it paid bonuses of $50 or $100 to each of 26 employes.

Police Commissioner Carroll Griffith objected to including bonuses in the subsidy because "we don't pay our (city) employes a Christmas bonus."

The commission decided to send the matter to the legal department to determine whether a bonus could be paid Central employes from taxpayers' funds. A report is due in two weeks.

Morris said he considered the bonus part of the workers' salaries could be justified because Central employes work on a lower pay scale than city employes.

The commission did approve payment of the rest of the Central December deficit, $7,300.

Private ambulance use voted

AUG 6 1975

By DAN OSBORNE

The City Commission Tuesday followed the recommendation of a review committee and voted to continue using a private firm to provide city ambulance service.

The commission instructed the Emergency Medical Services Council to determine which of the two applicants for city ambulance service is best qualified.

The applicants are Central Ambulance Service, which has been the city contractor for the last 19 months, and Tulsa Area Ambulance Service, a company being formed by C. Ray Smith of Tulsa.

The ambulance review committee, headed by Finance Commissioner William Morris Jr., recommended that the Emergency Medical Services Council

Ambulance Data Held Inadequate

JUL 18 1975

By ANN PATTON
Of the World Staff

Central Ambulance Co. Thursday filed some financial statements with the city, but Finance Commissioner William H. Morris, Jr., said they're inadequate to meet city needs.

An analysis by the city's outside audit firm, Elmer Fox, Westheimer & Co., noted some unexplained discrepancies in the information.

Central, the city's only operating ambulance service, received $39,000 monthly city subsidy for the past 19 months.

The firm is now operating without a subsidy or contract, although the city has offered to extend the present contract until Central furnishes financial information satisfactory to the city.

PAT MACE, WHO OWNS CENTRAL, said Thursday the auditor's questions can be answered. The statements were drawn up in a "rush" to meet a July 15 deadline, he said, and might contain typographical errors.

Morris said the information is adequate on two counts. The auditor says the information did not reconcile and discrepancies in an unexplained way.

Central has failed to file statements for several months since last fall.

The statements filed Thursday cover the months of May and June, and a 12-month period ending April 30.

They indicate Central's net income was $14,482 for the year, down from $22,779 the previous year.

However, the 1975 income figures fail to take into account $19,000 of city subsidy paid during the period, according to Gary Burroughs, an auditor for Elmer Fox Westheimer & Co.

Burroughs also cited an unexplained error of $10,000 and a mathematical increase in bad debt allowance during the last year.

THE BAD DEBT ALLOWANCE IS up because bad debts are up, Mace said. And, he said, "balancing out" in the tants did some "balancing out" in the April books, which may explain part of the sudden drop.

Morris said the city can't calculate any subsidy agreement next year until more information is received.

He said he'll submit the data to the City Commission Friday.

Central is one of six firms which have requests pending for certification before the Emergency Medical Services Council, which meets again Tuesday.

City Orders Central Ambulance to Improve

OCT 1 8 1972

By ANN PATTON
Of the World Staff

The City Commission Tuesday gave Tulsa's only ambulance service 30 days to reach compliance on three complaints lodged by the Tulsa City-County Board of Health.

If Central Ambulance Service fails to comply or indicate that it will comply, "We will call a hearing to cancel their license," Mayor Robert J. LaFortune said after the meeting.

In that event, "We may have to consider some other alternate operator," LaFortune said. "The way it's being run now is in violation of our ordinances."

The commission acted on a recommendation by LaFortune, upon receipt of notice that the Board of Health will no longer be responsible for the ambulance ordinance and regulations.

The notice, from Dr. George Prothro, director of the City-County Health Department, notes three "areas of concern" in Central's operations:

— Failure of Central to furnish verified information on its financial status "to assure the community of the stability" of the operation and to be considered with Central's requests for city financial assistance.

— Failure to meet regulations for service from fixed stations in three zones throughout the city, resulting in some failures to respond to emergency calls within seven minutes.

— Failure to install tachographs in ambulances to aid in monitoring of service.

Pat Mace, owner of Central, said after the meeting that he had not been notified of commission action or consideration of the item, so could not say what the company would do.

On providing financial data, Mace said, "I don't see where that's any of their business, unless they're wanting to assist us in payment of some of these indigents' accounts."

Mace said the company complies with requirements for stations in three zones, but should not be expected to install tachographs since they are not on other city equipment and are "just an added expense on private enterprise that's having to struggle to get by anyway."

Arts center manual okayed

Ambulance subsidy for October to be reduced

NOV 1 9 1976

The subsidy paid by the city to Central Ambulance Service will be reduced by more than $12,000 for the month of October, the City Commission was told this morning.

Finance Commissioner Norma Lapiedon said the amount of the subsidy would be $28,000 for the month of October. The subsidy was $40,000 for the month of September. It was $39,000 for the month of May and June, and $28,000 in the previous six months.

Central Ambulance Service has a dispute with Central over the amount of taxes the company owes. The amount in dispute is about $20,000.

In addition, the city was billed $1,000 a month when inspectors found the company for nine occasions during the month when inspectors found the company had not have the required number of ambulances ready for duty.

The city pays Central a flat monthly fee for its operations, but Central is required to pay the difference between the fee and the actual cost of operating the service for Tulsa City-County Health Department to comply with the ambulance service requirements.

MRS. EADATHON said the service response time by Central is slow, which is considered a violation of the labor says 3 minutes and 15 seconds. the service did not always have enough ambulances ready at all times.

On another matter, the commission approved an operating manual for the Performing Arts Center, which opens next spring.

Most of the rules for use of the facility are those adopted for the Civic Center 12 years ago except for rental sales and concessions, which the Civic Center will operate itself rather than by contract with private vendors.

The operations manual includes a schedule of rental rates for the Chapman Music Hall, John H. Williams Theater and Studio 1 and Studio 2.

The rates range from $5 a week for day rehearsal performances in Studio 1 to a maximum of $1,500 for use of the main Music Hall.

Rates for commercial productions are higher than those for performances sponsored by local non-profit organizations, but the maximum charge is $500 for the

CORPORATION COMMISSION OF OKLAHOMA
JIM THORPE OFFICE BUILDING
OKLAHOMA CITY, OKLAHOMA
73105

NORMA EAGLETON
MEMBER

TELEPHONE
AREA CODE 405
521-2261

June 26, 1981

The Honorable Winfield C. Moses, Jr.
Mayor of City of Fort Wayne
1 Main Street - Room 900
Fort Wayne, Indiana 46802

Dear Mayor Moses:

Newspaper reports concerning Fort Wayne's proposed new Emergency Medical Services system have prompted my writing to you. I am particularly interested in the comments by Mr. Pat Mace regarding both the Tulsa EMS service and our consultant, Mr. Jack Stout.

I served as Chairman of Tulsa's EMS Authority during the design and implementation stages of Tulsa's services, when Mr. Stout was employed as consultant to the Authority. I offer the following comments for whatever assistance they may be in your evaluation of Mr. Stout's professional capability and Mr. Mace's credibility.

Prior to the formation of Tulsa's Emergency Medical Services Authority, ambulance service to our City was provided by Central Ambulance, owned and operated by Mr. Mace. As Commissioner of Finance and Revenue for the City, I chaired the Ambulance Review Committee which included the City's Budget Director, City Attorney, and the Director of the City-County Health Department. One of our duties was to negotiate the City's annual subsidy to Central Ambulance. The subsidy, which had begun in December, 1973 as a rather modest amount of $40,000 annually, was growing quite rapidly.

The Committee sought on several occasions to secure a financial audit of Central Ambulance as a protection of the public monies expended. Mr. Mace failed repeatedly to provide an audit, and subsequently the City hired the accounting firm of Peat, Marwick and Mitchell to conduct an audit of Central Ambulance. Representatives from Peat, Marwick and Mitchell reported that they were not able to conduct an audit because Mr. Mace was unable or unwilling to produce his records.

Mr. Mace presented a budget of nearly $1 million and a request for an approximately $400,000 subsidy in fiscal year 1977-78. He threatened to interrupt the service if the City refused. The City, having no back-up service and no way to inspect Mr. Mace's performance, literally was held hostage by an operator whose fiscal responsibility it could not judge. The City and Central Ambulance finally agreed on a subsidy of $380,000, and the City moved immediately to design an Emergency Medical Services system to provide stability and accountability.

The Emergency Medical Services Authority was created. Its membership included physicians, elected officials, business persons, and consumer representatives. Our goal was not to change providers but to restructure and formalize the relationship between city, the medical community and the provider. Following requests for proposals, Jack Stout and Alan Jamison were hired as consultants to the Authority.

The Authority, the newly hired EMSA staff and consultants worked diligently to design and implement an Emergency Medical Services system which was both medically and fiscally accountable, cost effective and stable. The members of the Authority made an extraordinary commitment to the project. For many months they met weekly and oversaw every aspect of the development of the EMS system. The consultants, guiding the project throughout, coordinated and participated in the multitude of tasks, including writing ordinances and contracts, developing bid specifications for operations, equipment and radio/communications systems, organizing and working with physicians on medical protocol and audits. Mr. Stout and Mr. Jamison worked literally around-the-clock for many months.

Mr. Mace was invited to submit a bid to be operator for the system, but chose not to do so. Instead, he elected to attempt to discredit the project. There were political struggles and court battles surrounding the birth of EMSA, but on midnight, October 1, 1978, the system went into operation precisely on schedule. And today Tulsa's EMS system is believed by many to be a model operation and continues to receive national recognition.

The EMSA project in Tulsa was complex and difficult. A great many people are responsible for its success. The vision was Mr. Stout's, however, and his skills, expertise and tireless efforts were indispensable. We found him at all times knowledgeable, resourceful, dependable and professional.

Sincerely,

Norma Eagleton

Norma Eagleton
Commissioner

NE:jr

Copies to:

Mr. Charles W. Westerman, City Clerk

Mr. John Nuckols, Councilman 1st District ✓

Mr. Donald J. Schmidt, Councilman 2nd District

Mr. Roy J. Schomburg, Schomburg, Councilman 3rd District

Mr. Benjamin A. Eisbart, Councilman 4th District

Mr. Mark E. GiaQuinta, Councilman 5th District

Mr. James S. Stier, Councilman 6th District

Mr. Paul M. Burns, Councilman-At-Large

Ms. Vivian G. Schmidt, Councilwoman-At-Large

Mr. Samuel J. Talarico, Councilman-At-Large

Mr. Jack Stout

Mr. Steve Williamson

The City of Fort Wayne

June 26, 1981

Mr. John Nuckols
City Council President
2419 Winch
Fort Wayne, Indiana 46803

Dear Councilman Nuckols:

Enclosed please find the second draft copy of the professional services contract between the City and the Fourth Party Inc. relative to EMS operations. This copy is being submitted to you at this time for your review and input. If any of you have any questions or comments concerning the agreement please feel free to contact me on Monday, June 29, at my office (423-3595).

A final draft copy will be available for your Council session of Tuesday, June 30. Thank you for your help and cooperation.

Sincerely,

Bruce O. Boxberger
City Attorney

BOB/rpa

cc: Charles Westerman
City Clerk

John Logan
Council Attorney

ALLEN COUNTY ATTORNEY

ROOM 200, CITY-COUNTY BUILDING
ONE MAIN STREET
FORT WAYNE, INDIANA 46802

County Attorney
Thomas E. Ruzzo 743-9706

Chief Deputy
G. William Fishering,III 743-9706

Assistant County Attorneys
John O. Feighner 424-2000
W. Paul Helmke,Jr. 422-7422
Paul B. McNellis 422-3547

County Plan Commission Attorney
Paul C. Raver,Sr. 424-1333

County Drainage Board Attorney
Steven W. Adair 743-9706

County Welfare Department Attorneys
Philip H. Larmore 743-9706
David A. Stewart 423-3475

June 30, 1981

Mr. Bruce O. Boxberger
200 Metro Building
Fort Wayne, Indiana 46802

Dear Mr. Boxberger:

I have reviewed the Intergovernmental Cooperation Agreement, as well as the amendments thereto, with the Board of Commissioners, and both documents in their present form are acceptable to the Board. I fully expect the Commissioners to execute the Agreement within 30 days after passage by the City Council and execution by the Mayor.

As we have discussed, there are a number of problems which will need to be addressed at the ordinance writing stage. Among them are the proper handling of the Township Trustees, the adoption of the contract presently in existence between the city and The Fourth Party, Inc., and the resolution of the non-emergency transport question. However, anticipating the continuing spirit of cooperation, I do not feel any of these will be substantial hurdles.

Very truly yours,

ALLEN COUNTY ATTORNEY

Bill F

G. William Fishering, III
Chief Deputy

GWF:jc

CORPORATION COMMISSION OF OKLAHOMA
JIM THORPE OFFICE BUILDING
OKLAHOMA CITY, OKLAHOMA
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Norma Eagleton

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Commissioner

NE:jr

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Mr. Samuel J. Talarico, Councilman-At-Large

Mr. Jack Stout

Mr. Steve Williamson

TO APPEAR BEFORE COUNCIL - JUNE 30, 1981
REGARDING BILL NO. S-81-05-33

GARY DUSET - EMS

JULIE GORE - EMS

EMORY PATTERSON - EMS

WILLIAM SWEET - ATTORNEY FOR MEDIVAN

DENNIS WRIGHT - PRESIDENT OF EMERGENCY ONE CORP.

JOHN FLECK - ATTORNEY

JEROLD ANDREWS, M.D.

THOMAS A. FELGER, M.D.

JACK STOUT - CONSULTANT

FRANK HEYMEN - BRUCE BOXBERGER

TAXPAYERS RESEARCH ASSOCIATION

826 Ewing Street
Fort Wayne, Indiana
46802

June 26, 1981

CITY-COUNTY ADVANCED LIFE SUPPORT PROGRAM

We believe it is in the best interest of the taxpayers of Fort Wayne and Allen County for the Fort Wayne City Council and the Allen County Commissioners to enter into the inter-local governmental agreement which would establish the Three Rivers Emergency Medical Inter-local Cooperative to provide an advanced life support system for the citizens of Allen County.

It is essential, in our opinion, for the County to participate in this program as an equal partner. For this reason, we urge favorable action on this program by the City Council and by the County Commissioners as soon as possible so the program can be underway.

With only a few reservations, we feel the system developed by Mr. Jack Stout will provide the emergency medical service the citizens of Fort Wayne and Allen County deserve.

The reservations concern the management contract between the Three Rivers Ambulance Authority (representing the City and County) and the Fourth Party, Inc. (the management firm which will do the billings and serve as the executive of the cooperative).

(1) Permission is granted to The Fourth Party, Inc. to make long term committments on their own and in behalf of the Authority. We do not feel they should have such blanket authority. Any committments made by the Fourth Party, Inc. on behalf of the Authority should have to be approved individually by the Authority.

(2) The Fourth Party, Inc. receives a payment of $10 per individual billing and has the responsibility of collecting the bills. If the collections achieve 60% of the receivables, The Fourth Party is entitled to a bonus of 20% of the funds above the 60% level. If 65% of the collection is reached, The Fourth Party receives 30% of the funds above this level. The Authority is given the right of "forgiving" any bill. If this is done, whatever is "forgiven" is not counted in the total. This could mean that the Authority could "forgive" uncollectable bills and The Fourth Party would arrive at the 60% or 65% level, not through collection efforts but through the back door. We feel this arrangement could lead to abuses and should be modified in some manner which would not lead to any questions on the propriety of the actions or lack of them on the part of the Authority.

Exhibit B

(3) We do not feel the proposed contract between the Authority and the Fourth Party, Inc. property protects the interests of the City and the County at the end of the three year contractual period.

At that time, The Fourth Party, Inc. owns the computer and all of the software used in the operation. The Administrator and the clerical help involved in all of the billings will be employees of The Fourth Party, Inc. Under this arrangement, if the Authority does not choose to renew the contract, the entire system might well come to a quick halt. We would have no one knowledgeable about the system, have no software to use and no computer to use it on. We would almost have no choice but to accept whatever terms The Fourth Party wanted to impose for an extension of the contract. This is not a criticism of The Fourth Party. We are sure they would be fair. However, it simply is not good business to be in this position. We urge that this be corrected before the contract is signed.

We do not feel our objections are critical enough to delay adoption of the program. The City has indicated they are aware of the problems and will be working on them.

It is our understanding that the management contract, which does include a potential liability to the City of Fort Wayne, will be considered separately by the City Council before final adoption.

We feel now is the time to move ahead. The best assurances the County can have that the important volunteer units are protected and the County citizens are served, is for them to join the program right now and become equal partners with the City in the establishment of the needed ordinances and regulations.

Once again, we urge both the City Council and the County Commissioners to adopt the inter-local governmental agreement and move ahead on the program.

R Dean Hall

R. Dean Hall
Executive Vice President

RDH:mm

TAXPAYERS RESEARCH ASSOCIATION

FLECK, HOLLERAN & TREXLER

LAWYERS

927 SOUTH HARRISON STREET, SUITE 200

P. O. BOX 11587

FORT WAYNE, INDIANA 46859

(219) 423-2537

JOHN R. FLECK
CLIFFORD A. HOLLERAN
STEPHEN H. TREXLER
MARK A. WARSCO

June 30, 1981

Dear Council Members:

I have reviewed the following Bills, on behalf of Emergency One Corp., concerning the city administration's ALS plan.

Please find attached amendments proposed in order to eliminate certain legal concerns.

These amendments would accomplish the following:

1. A joint City-County ALS system with participation by the townships.

2. A fiscally responsible system subject to oversight by the City Council and subject to competitive bidding laws.

3. The Physicians Quality Assurance provisions are left totally intact.

These amendments eliminate certain problems, legal and practical:

1. By causing all equipment purchases and purchases of services to be competitively bid pursuant to the laws of the state of Indiana, we end once and for all the questions regarding:

   a. The propriety of the consultant designing a plan which includes direct revenues to himself in excess of $500,000.00 per year in perpetuity (Exhibit A).

   b. The propriety of ambulance purchases without bid and without council approval from an acquaintance of the consultant.

2. The legality of an ordinance which per se creates a monopoly in violation of anti-trust laws. The proposed amendments take the city out of the non-ALS area. No need has ever been shown, nor could it be, to justify a City or City-County monopoly of the existing private system in terms of cost efficiency, service and medical quality. None of the groups involved in this question, including Tax Payers Research, The Chamber of Commerce, The Allen County Medical Society or, indeed, the City of Fort Wayne have ever attacked Emergency One Corp.'s efficiency and quality. It must, of course, be realized that no subsidy is being paid any private provider by the city. It is a waste of resources to dismantle that which is efficient. It makes sense to build upon the present base and concentrate efforts on ALS.

3. The justification of entering into a contract based upon intergovernmental cooperation if the only party is the city of Fort Wayne. It is totally absurd to create joint City-County boards without the participation of the county and townships (which are basic EMS providers) if they so desire. If the city is the only signator, all of these commissions and authorities become merely additional city departments. We already have the Department of Emergency Medical Services. Why merely change its name? If the proposed amendments are passed, the county must participate in order for the Authority to exist. If the Bills are passed as proposed by the city, and the county does not join, authorities are nevertheless created with inherent law (rules and regulations) making powers not subject to Council approval. The only significant effect of the Bill, without county participation, is the insulation of City ALS from the direct fiscal control of the Common Council. That fiscal control is imperative to control the possible abuses and loss of bargaining power pointed out by Taxpayers Research on June 26, 1981 (Exhibit B), in the contract (as yet unseen by the public), executed by the consultant and the City administration.

Three ordinances have already been enacted. Two of those ordinances authorize payment to the consultant for studies. Those studies should result in the consultant's opinion as to at least:

1. How many vehicles of what type are needed for City or City-County ALS.

2. Where should the vehicles be stationed.

3. What the system will cost:

   a. Are new computers for billing necessary.

   b. Are new computers for data regarding ambulance runs and dispatching necessary.

   c. Is it less expensive for the city to internally bill and collect as is presently done by City Utilities, or are the services of a private firm less expensive.

   d. Will it be necessary to hire more employees.

   e. Are new ambulances needed; and if so, what is the projected cost.

4. Anticipated revenue from what source (subsidy, bank loans, rates, et cetera).

Since the studies have been purchased, the council and the public should consider them along with the in-depth studies conducted in house by very competent and dedicated city employees (as yet unreleased to the public), by Professor William Ludwin of Indiana University - Purdue University of Fort Wayne (Exhibit C), and the Taxpayers Research recommendations of October, 1980 (Exhibit D).

Emergency One Corp. supports Medical Quality Assurance, City-County Interlocal Cooperation and the Taxpayers Research Recommendations of October, 1980, and June 26, 1981. We feel the proposed amendments could contribute to a fiscally and legally responsible system.

Most sincerely yours,

FLECK, HOLLERAN & TREXLER

John R. Fleck

arm

Attachments

EXHIBIT A

Potential projected revenue granted Jack Stout by S-81-05-33 limited to billings and collections only. Additional consulting contracts ($10,000.00 plus $15,000.00 plus a fee paid earlier of at least $3,000.00 having already been paid), management fees and any city purchase of the billing software (received as his personal property as a result of services rendered to the City of Tulsa) or computers or computer services purchases are unknown.

If the ordinance is passed intact, resulting in the elimination of the private sector in the City of Fort Wayne (as stated in the January 27, 1981, Stout plan):

Stout shall receive $10.00 per ambulance run: Estimated total runs including ALS, BLS and Invalid Coach = 32,400. Stout receives: $324,000

Stout shall additionally receive:

"The Fourth Party, Inc. receives a payment of $10 per individual billing and has the responsibility of collecting the bills. If the collections achieve 60% of the receivables, The Fourth Party is entitled to a bonus of 20% of the funds above the 60% level. If 65% of the collection is reached, The Fourth Party receives 30% of the funds above this level. The Authority is given the right of "forgiving" any bill. If this is done, whatever is "forgiven" is not counted in the total. This could mean that the Aurthority could "forgive" uncollectable bills and The Fourth Party would arrive at the 60% or 65% level, not through collection efforts but through the back door. We feel this arrangement could lead to abuses and should be modified in some manner which would not lead to any questions on the propriety of the actions or lack of them on the part of the Authority." (Quoted from "Taxpayers Research Association," June 26, 1981.)

Estimated average emergency bill = $200.00 (It is our understanding that the City bills ALS and BLS runs at $120.00 base plus extras--the extras are shown by the attached bill marked Exhibit E now in use by the City.)

Estimated City and private ALS and BLS runs = 16,000.00

Estimated Invalid Coach runs (currently total private) = 16,400.00

Estimated average non-emergency bill = $60.00 (Pursuant to ordinance the City charges $60.00 plus extras but we shall use the minimum figure.)

CALCULATION

		Gross Revenue
Emergency Runs of 16,000 x $200		$ 3,200,000.00
Non-Emergency Runs of 16,400 x $60		984,000.00
	Total Gross Revenue	$ 4,184,000.00
Less 20% for "Forgiven Debts"		- 836,800.00
	Total Calculable Revenue	3,347,200.00
	%60 of Calculable Revenue	2,008,320.00
	%65 of Calculable Revenue	2,175,680.00
The Difference Between 60% and 65%		167,360.00
	.20 fee	33,472.00
If 100% of the Calculable Revenue is Received Then:		$ 3,347,200.00
	The Difference Between 100% of the Calculable Revenue and 65% of the Calculable	2,175,680.00
		$ 1,171,520.00
	.30 Fee	$ 351,456.00

SUMMARY

Possible Gross Revenue to Jack Stout Just in Billings and Collections:

$10 per bill	$ 324,000.00
.20 Fee	33,472.00
.30 Fee	351,456.00
Stout Receives Per Year	$ 708,928.00

PROPOSED AMENDMENTS

I. AMENDMENTS TO BILL NO. S-81-03-47

A. The sixth WHEREAS clause is hereby amended, to-wit:

The words "emergency and non-emergency ambulance services" are hereby deleted and the words "Advanced Life Support Services" are substituted in place thereof.

B. SECTION 1 is hereby amended, to-wit:

The words "for emergency and non-emergency ambulance services" are hereby deleted and the words "Advanced Life Support Services" are substituted in place thereof.

C. SECTION 1 (a) is hereby amended, to-wit:

The words "A base rate of One Hundred Twenty and 00/100 Dollars ($120.00) per emergency service and transport run;" are hereby deleted and the words "A base rate reflecting the reasonable cost of Advanced Life Support Services determined by the Common Council upon its review of all the necessary financial data necessary for said determination;" are substituted in place thereof.

D. SECTION 1 (b) is hereby deleted in its entirety.

E. SECTION 1 (c) is hereby deleted in its entirety and substituted in its place "In addition to the base rates to be established for Advanced Life Support Services, authority is given for reasonable charges for use of special equipment, waiting time, and special items of service provided in the normal conduct and use of the Advanced Life Support system, said rates shall not be charged until specifically approved by ordinances of the Common Council of the City of Fort Wayne."

F. SECTION 2. is hereby amended by adding the following words:

"All of said monies received and all sums expended therefrom shall be accounted for and reported on a regular basis to the Common Council of the City of Fort Wayne."

II. AMENDMENTS TO BILL NO. S-81-03-48

A. Although there is no specific purpose in amending this ordinance, mention is made here because the cash flow pro forma which was contracted for pursuant to this ordinance should be reviewed in public in order to determine the feasibility of any future plan including the plan which is the subject matter of BILL NO. S-81-05-33.

III. AMENDMENTS TO BILL NO. S-81-03-49

A. Although there is no specific purpose in amending this ordinance, mention is made here because the development and installation of the temporary data system, automated analysis of historical demand pattern in the Fort Wayne area and the development of the initial systems status plan should be reviewed in public in order to determine the feasibility of any future plan including the plan which is the subject matter of BILL NO. S-81-05-33.

IV. AMENDMENTS TO BILL NO. S-81-05-33

A. SECTION 1 page 2 line 20 is hereby amended, to-wit: The words "regardless of whether or not" are hereby deleted and the words "only if" are substituted in place thereof.

B. SECTION 3 page 3 line 15 is hereby amended, to-wit: The words "contracting with the Department of Emergency Medical Services of the City of Fort Wayne at least through December 31, 1982" are deleted in their entirety.

V. EXHIBIT "A" to BILL NO. S-81-05-33

1. FORMATION OF COOPERATIVE page 3 is hereby amended, to-wit: The words "ambulance operations, emergency and non-emergency" are hereby deleted and the words "Advanced Life Support Services" are substituted in place thereof.

2. MEMBERSHIP IN COOPERATIVE, page 3 is hereby amended by adding the following words:
After the words fifth class, add "Townships,"

3. MEMBERSHIP IN COOPERATIVE, page 4 is hereby amended, to-wit: The words "and only upon unanimous consent of each Trustee of the Board of Trustees of the Cooperative as hereinafter referred to in Paragraph 4 of this Agreement;" are hereby deleted.

4. JURISDICTION OF COOPERATIVE, page 5 is hereby amended, to-wit: The words "If the City is the only member of the Cooperative, this Agreement and the terms and conditions hereof and the services to be provided hereunder shall extend only to the corporate limits of the City of Fort Wayne, Indiana" shall be deleted in its entirety.

5. POWERS OF COOPERATIVE, page 6 is hereby amended, to-wit: The words "all aspects of ambulance operations, emergency and non-emergency" shall be deleted and the words "aspects of Advanced Life Support Services" shall be substituted in place thereof.

6. POWERS OF COOPERATIVE (b), page 6 is hereby amended by adding the following words, to-wit:
"provided that said rules and regulations shall not become effective until ratified by ordinance by the legislative bodies of each member of the cooperative."

7. ADMINISTRATION OF AUTHORITY (a), page 8 is hereby amended, to-wit:
The words "Initially and as long as the City is the only member of the Cooperative," is deleted in its entirety.

8. ADMINISTRATION OF AUTHORITY (b), page 9 is hereby amended, to-wit: Delete the word "If" which is the first word of said paragraph and substitute the word "When" in place thereof.

9. ADMINISTRATION OF AUTHORITY (c), page 10 is hereby amended, to-wit:
The words "including Allen County, if it has not become a member of the Cooperative within the sixty (60) day period provided for in Paragraph 2(b)" are hereby deleted, and

delete the words "County Commissioners" and substitute in place thereof the word "Trustees".

10. FUNCTIONS AND POWERS OF AUTHORITY, (a), page 10 is hereby amended, to-wit:

    The words "Emergency and Non-Emergency Ambulance" are hereby deleted.

11. FUNCTIONS AND POWERS OF AUTHORITY, (d), page 12 is hereby amended, to-wit:

    The entire paragraph is hereby deleted in its entirety and the following paragraph is substituted therefor "To implement paragraph 8 (c) immediately above, the authority shall enter into a competive procurement pursuant to the laws of the State of Indiana for management, labor services, dispatching services, maintenance personnel, consulting services, data services, building services, collection services and equipment."

12. FUNCTIONS AND POWERS OF AUTHORITY, (h) and (i) are hereby deleted in their entirety.

13. FUNCTIONS AND POWERS OF AUTHORITY (j) is hereby amended, to-wit:

    Delete all the words after "conditions of this Agreement" in its entirety.

14. MISCELLANEOUS, (g), page 18 is hereby amended, to-wit:

    The words "Even though this Agreement has been executed pursuant to I.C. 18-5-1.5-1 et.seq., this Agreement shall remain in full force and effect even if the City is the only party hereto, and thus, the only member of the Cooperative." are hereby deleted and the words "This Agreement has been executed pursuant to I.C. 18-5-1.5-1 et.seq., and therefore this Agreement shall not become effective until both the City of Fort Wayne and the County of Allen become parties hereto by ordinance and their execution of this Agreement."

TAXPAYERS REFORM
526 Ewing
Fort Wayne
46802

October, 1980

CONFIDENTIAL

TRA RECOMMENDED POLICY

FOR

ESTABLISHMENT OF COUNTYWIDE EMS/ALS SYSTEM

A countywide system of ALS be adopted separate from the EMS system. This system should consist of four ALS ambulances manned by one ALS and EMT. The location of these units be determined by the simulation runs of Dr. Bill Ludwin.

County Volunteer EMS systems should be preserved. Fort Wayne Fire Department should continue to be first responder along with Fort Wayne EMS.

Allen County Police officers should be trained in CPR and whenever possible, be used as additional first responders in the County.

Fort Wayne should work to have BLS system of City operated by private contract. City should consider furnishing ambulances and essentially having the system operated privately under a management contract.

Charges should be made both for the BLS system and the ALS system.

The countywide ALS system should be managed by a joint board under an inter-governmental agreement. Tax support for the system should be on a countywide basis.

The Board for the ALS system should be appointed by the Mayor and the County Commissioners. At least a majority of the board should be lay people not directly involved in the Health Care system. However, the medical profession, either through doctors, hospital representatives or other in the profession, should be represented on the board.

The director should report to the board and should have the responsibility of carrying out the policies of the board. A separate Medical Director, preferably a physician in the field of emergency care, should have the responsibility of overseeing the medical portion of the service including training and other medical procedures.

Current dispatch facilities should be used, however, considerable specific training in Medical Emergency dispatching should be given and the long range goal should be to have a single dispatching system for County and City emergency vehicles.

Exhibit D

PATIENT AUTHORIZATION & RELEASE

I the undersigned hereby authorize payment directly to Three Rivers EMS System of the ambulance benefits otherwise payable to me but not to exceed the regular charges for this type of service. If I am entitled to medicare benefits, I authorize any holder of medical or other information about me to release to Social Security Administration or its intermediaries or carriers any information needed for this or related medicare claim. I permit a copy of this authorization to be used in place of the original, and request payment of medical insurance benefits either to myself or to the party who accepts assignments below. I understand I am financially responsible to the Three Rivers EMS System for charges not covered by this Authorization and do hereby guarantee payment of this bill within forty-five (45) days. I further agree that if collection is made by suit or otherwise, I agree to pay all collection costs including a reasonable attorneys fee.

I hereby release said Three Rivers EMS System and employees, from any claim whatsoever.

Date ____ 19____ Signed _____ Policyholder

RUN CONDITION DATA

Run Conditions Codes

Code
1 - Lights
2 - Siren and Lights
3 - Severe Traffic
4 - Severe Weather
5 - Mechanical Trouble
6 - Comm. Trouble
7 - Other

Location Type Codes

Code
11 - Street/Highway
12 - Business
13 - Hospital
14 - Home
15 - Industrial
16 - Dr. Office
17 - Public Bldg
18 - Recreational Area
19 - Agricultural
20 - Other

TR-EMS 0001

VITAL SIGNS, SYMPTOMS & HISTORY

CHIEF COMPLAINT AND OBSERVATION _____

FIRST SYMPTOMS.
___MIN.___HRS ___DAYS

CARE BEFORE ARRIVAL:
CPR. ☐ YES ☐ NO
☐ AHA ☐ R.C.
CPR # _____
☐ Citizen ☐ Fire ☐ Other

MEDICAL HISTORY

PATIENT'S PHYSICIAN

PATIENT'S MEDICATIONS.

ALLERGIES:

CONSCIOUSNESS
☐ Conscious
☐ Semi-Cons.
☐ Uncons.
How Long? _____
☐ Responds to Voice
☐ Responds to Pain
☐ No Response

ORIENTATION
☐ Oriented
☐ Disoriented

SKIN COLOR
☐ Normal
☐ Pale/Ashen
☐ Cyanotic
☐ Flushed

MOISTURE
☐ Normal
☐ Dry
☐ Moist
☐ Profuse

PUPILS
☐ P.E.R.L.
☐ No Reac. to Lt.
☐ Equal
☐ Dilated
☐ Constricted
☐ Right Larger
☐ Left Larger

SKIN TEMPERATURE
☐ Normal ☐ Hot ☐ Cold

VITAL SIGNS

Time	Pulse	Resp	Blood Pressure	Temp.

ECG

Time	Rhythm

Range of Motion: ☐ Normal (full) ☐ None below waist ☐ One side only ☐ None below neck

ICDA CODE _____

PRESENTING PROBLEMS

3039 ☐ A.O.B.
8950 ☐ Amputation
7962 ☐ Bedridden
3069 ☐ Behavioral Dis.
9490 ☐ Burn: Thm ☐ Chm ☐ Elc ☐
0000 ☐ Cancer
4279 ☐ Cardiac
4272 ☐ Cardiac Arrest
7889 ☐ Chills
0000 ☐ Communicable Disease
9290 ☐ Contusion/Abrasion
7802 ☐ Convulsions
8540 ☐ Crushing
2509 ☐ Diabetic
7832 ☐ Diff. Breathing
7886 ☐ Febrile _____
8250 ☐ Fracture/Dislocation
7963 ☐ General Malaise
9701 ☐ Gunshot
0000 ☐ Head Injury, Conscious
0000 ☐ Head Injury, Unconscious
0000 ☐ Heat Stroke
0000 ☐ Hypothermia
9300 ☐ Impaled Object
4589 ☐ Internal Bleeding
9291 ☐ Laceration
6500 ☐ Maternity
6501 ☐ Miscarriage
0000 ☐ Multiple Trauma
7841 ☐ Nausea/Vomitting
9779 ☐ OD _____
7961 ☐ Pain: Where ____
59 ☐ Poison _____
9070 ☐ Puncture
0000 ☐ Renal
7960 ☐ Respiratory Arrest
7829 ☐ Shock
9580 ☐ Spinal Injury
9700 ☐ Stabbing
4369 ☐ Stroke/CVA
0000 ☐ Trauma - related airway complications
0000 ☐ Trauma - related D.A.S.
0000 ☐ Unconsciousness, D.A.S.
0000 ☐ Unconsciousness, etol. unh.
☐ Other _____

CAUSE OF INJURY

Vehicular
Code
001 - Auto or truck*
002 - Motorcycle*
003 - Other (inc. pedestrian)*

Non-vehicular
011 - Animal bite
012 - Cardiac
013 - Convulsion/seizure
014 - Diabetic
015 - Fall*
016 - Fire, chemical*
017 - Fire, electrical*
018 - Fire, scald*
019 - Machinery*
020 - OB
021 - Tverdose
022 - Rape
023 - Respiratory Distress
024 - Sporting Event*
025 - Stroke
026 - Undetermined Emergency
027 - Violence, Gunshot*
028 - Violence, Sharp Object*
029 - Violence, Blunt Object*
030 - Violence, Self inflicted*
031 - Water/Boat accident*

*Required for state reporting.

HOSPITAL USE ONLY SECTION

Hospital Receiving No. _____
Patient Received By Dr. _____
Direct Admission to Spec. Care Unit ☐
1 ER #
2. Disposition in ER
☐ Discharged ☐ RMA
☐ Admitted to Hosp. ☐ Died
☐ Transf. to other Hosp. _____ ☐ DOA

Retrospective Run Code ☐ 1 ☐ 2 ☐ 3

PLEASE DO NOT WRITE OR MARK IN THIS AREA.

Exhibit E

PATIENT/GUARANTOR/CREW INFO. SECTION

Three Rivers EMS System
One Main, Fort Wayne, IN 46802

RUN # 1 | PT # | SYSTEM ID. 0 3 | UNIT # | DATE M M D D Y Y

PATIENT'S NAME _____ AGE ____ SEX ____ DATE OF BIRTH ____

ADDRESS _____ CITY _____ STATE _____ ZIP _____ PH _____

EMPLOYER _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____ PH _____

GUARANTOR _____ RELATION _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____ PH _____ EMPLOYER _____

Senior EMT ☐ ☐ ☐ | Private - No Insurance A ☐ | Private - Insurance B ☐ | Medicare C ☐ | Welfare D ☐ | Medicare/Welfare 3 ☐ | Workmen's Co. WF ☐

EMT ☐ ☐ ☐

MEDICARE # _____ MEDICAID # _____

D.L. OR S.S. NO. _____ SPECIAL BILLING INSTRUCTIONS _____

BASE SERVICE, MILEAGE, WAITING TIME

BASE SERVICE

Code 1	2	3	4	5
100	101	102	103	104
☐	☐	☐	☐	☐

Waiting Time

Time Begun ____ pm ____ am Time Ended ____ pm ____ am

FOR OFFICE USE ONLY Trans # _____

MILES INTRA CITY (WITHIN THE CITY)

Code 1	2	3	4
30	40	50	60

Inter City

1	2	3	4
31	41	51	61

LIFE SUPPORT PROCEDURES

Trans #	Life Procedures	Qty.
200	Artificial Respiration	
201	Bandaging	
202	Blood Specimens Drawn	
203	Cardioversion	
204	Cervical Collar Applied	
205	Controlled bleeding by press.	
206	CPR without Thumper	
207	CPR with Thumper	
208	Defib	
209	Drug Admin IV	
210	Drug Admin IM	
211	Drug Admin SC	
212	Drug Admin ET	
213	EKG Monitoring	
214	EKG Telemetry	
215	Extrication medium	
216	Extrication heavy	
218	Intubation	
219	IV Fluid Admin	
220	MAST Application	
221	O_2 Admin	
222	Spine Board Used	
223	Splinting Traction	
224	Splinting non-traction	
225	Suctioned Airway	

Comments _____

NO HAULS

Trans #	No Hauls
105	No Emergency Health Care Needed
106	Cancelled by Requestor who is patient or family
107	DOA not moved
108	Prank
109	Cancelled by Requestor other than patient or family
110	Unable to locate
111	Patient needed but Refused Care
112	Other (Explain under comments)
113	Cancelled by PD
114	Cancelled by FD

EXPENDABLES AND SUPPLIES USED

O_2 Supplies

500	Nasal O_2 Cannula, adult	____
501	Nasal O_2 Cannula, peds	____
502	O_2 Tubing	____
503	O_2 Mask-ped	____
504	O_2 Mask-infant	____
505	O_2 Mask-adult	____
506	O_2 Rebreather Mask, adult & child	____
507	Venturi Mask, adult	____
508	Venturi Mask, child	____
509	Venturi Mask, infant	____

Airways

520	#5 Oropharyngeal	____
521	#4 Oropharyngeal	____
522	#3 Oropharyngeal	____
524	#1 Oropharyngeal	____
525	#26 Nasopharyngeal	____
526	#30 Nasopharyngeal	____
527	#32 Nasopharyngeal	____

Tape

540	½" Dermaclear tape	____
541	1" Dermaclear tape	____
542	2" Dermaclear tape	____
543	½" Adhesive tape	____

Bandages

550	1" Kling	____	553	6" Ace	____
551	2" Kling	____	554	Kerlix	____
552	3" Ace	____	555	Cravat	____

Dressings

560	4x4 Sterile	____
561	4x4 Unsterile	____
562	3x3 Sterile	____
563	ABD	____
564	Burn Sheets	____
565	Eye pads	____
566	Eye shield	____
567	Multi trauma dressing	____
568	Vaseline gauze	____

Drugs

580	Aminophyllin 500 mg/20 ml	____
581	Antivenum	____
582	Aramine 10 mg/ml	____
583	Atropine 1 mg	____
584	Benadryl 50 mg/ml	____
585	Calcium Chloride 100 mg/ml	____
586	Decadron 4 mg pre load	____
587	Decadron 5 ml vial of 24 mg/ml	____
588	Demerol 50 mg/ea	____
589	Dextrose 50 cc bolus	____
590	Epinephrine 1 10 000	____
591	Glucagon 1 cc/amp	____
592	Inderal 40 mg ml	____
593	Ipecac	____
594	Isuprel 1 5000	____
595	Lanoxin 5 mg e cc	____
596	Lasix 20 mg ea	____
597	Lasix 100 mg ea	____
598	Levophed 4mg 4cc	____
599	Lidocaine bolus 100 mg	____
600	Mannitol, 20% 500cc bottle	____
601	Morphine Sulfate 100mg ea	____
602	Narcan	____
603	Nitrostat 1 150 gr	____
604	Pitocin amp 10u cc	____
605	Sodium Bicarbonate 50 mEq	____
606	Solu Cortef 500 mg 4cc	____
607	Valium 10mg ea	____
608	Xylocaine drip 1 gm	____

Cervical Collars

617	Small	____
618	Medium	____
619	Large	____

Supply Tubings

620	Macro	____
621	Mini	____
622	Ext	____
623	Vacutainer Tubes (red)	____
624	Vacutainer Tubes (purple)	____

ET Tubes

630	2.0	____	638	6.5	____
631	3.0	____	639	7.0	____
632	3.5	____	640	7.5	____
633	4.0	____	641	8.0	____
634	4.5	____	642	8.5	____
635	5.0	____	643	9.0	____
636	5.5	____	649	E.O.A.	____
637	6.0	____			

Suction Supplies

650	#14-16 Fr. Suction kit	____
651	#10-12 Fr. Suction kit	____
652	Suction bag	____
653	Suction tubing	____
654	Tonsil tip, disposable	____

EKG Supplies

666	EKG Paper	____
667	Electrode gel	____
668	Electrode pads	____
669	Defib. pads	____

Other

675	OB kit	____
676	Umbilical clamps	____
677	Scapel	____
678	Bulb Aspirator	____
679	Sterile gloves	____
780	Razor	____
781	Iodine prep pad	____
782	Alcohol prep pad	____
783	Sterile tongue blade	____
784	Non-Sterile tongue blade	____
785	Padded tongue blade	____
786	Disp. emesisbasin	____
787	Ammonia inhalant	____
788	1000 ml st H_2O	____
789	Asepto syringe	____
790	K-Y jelly	____
791	Sterile applicators	____

Solutions

820	D5W 500 cc	____
821	Lactated Ringers 1000 cc	____
822	Normal saline 1000 cc	____

Syringes

840	50 cc	____	843	5 cc	____
841	20 cc	____	844	3 cc	____
842	10 cc	____	845	1 cc	____

Catheters

860	#16 Cathlon	____
861	#18 Short Cathlon	____
862	#18 long Cathlon	____
863	#20 Cathlon	____
864	#22 Cathlon	____

Butterflys			Needles		
880	#19	____	890	#19 filter	____
881	#21	____	891	#21	____
882	#25	____	892	#25	____

Date: _____ Pt. Name: _____

EMT Name _____

EMT # _____

Transported To: _____

Time	Vital Signs: Pulse	Resp	Blood Pressure	EKG: Rhythum

Time	Protocol Orders Performed:

Time	Additional Orders Received:

Orders Given By: _____

History Et Treatment: _____

Signed: _____ EMT # _____

PATIENT AUTHORIZATION & RELEASE

I the undersigned hereby authorize payment directly to Three Rivers EMS System of the ambulance benefits otherwise payable to me but not to exceed the regular charges for this type of service. If I am entitled to medicare benefits, I authorize any holder of medical or other information about me to release to Social Security Administration or its intermediaries or carriers, any information needed for this or related medicare claim. I permit a copy of this authorization to be used in place of the original, and request payment of medical insurance benefits either to myself or to the party who accepts assignments below. I understand I am financially responsible to the Three Rivers EMS System for charges not covered by this Authorization and do hereby guarantee payment of this bill within forty-five (45) days. I further agree that if collection is made by suit or otherwise, I agree to pay all collection costs including a reasonable attorneys fee.

I hereby release said Three Rivers EMS System and employees, from any claim whatsoever.

Date_____19____ Signed _____ Policyholder

Run Conditions Codes

Code
1 - Lights
2 - Siren and Lights
3 - Severe Traffic
4 - Severe Weather
5 - Mechanical Trouble
6 - Comm. Trouble
7 - Other

Location Type Codes

Code
11 - Street/Highway
12 - Business
13 - Hospital
14 - Home
15 - Industrial
16 - Dr. Office
17 - Public Bldg
18 - Recreational Area
19 - Agricultural
20 - Other

TR-EMS 0001

RUN CONDITION DATA

CHIEF COMPLAINT AND OBSERVATION _____

FIRST SYMPTOMS

__ MIN __ HRS __ DAYS

CARE BEFORE ARRIVAL:

CPR: ☐ YES ☐ NO

☐ AHA ☐ R.C.

CPR # _____

☐ Citizen ☐ Fire ☐ Other

CONSCIOUSNESS

☐ Conscious
☐ Semi-Cons
☐ Uncons.
How Long? ____
☐ Responds to Voice
☐ Responds to Pain
☐ No Response

ORIENTATION

☐ Oriented
☐ Disoriented

SKIN COLOR

☐ Normal
☐ Pale/Ashen
☐ Cyanotic
☐ Flushed

MOISTURE

☐ Normal
☐ Dry
☐ Moist
☐ Profuse

PUPILS

☐ P.E.R.L.
☐ No Reac. to Lt.
☐ Equal
☐ Dilated
☐ Constricted
☐ Right Larger
☐ Left Larger

SKIN TEMPERATURE

☐ Normal ☐ Hot ☐ Cold

MEDICAL HISTORY:

PATIENT'S PHYSICIAN.

PATIENT'S MEDICATIONS.

ALLERGIES:

VITAL SIGNS

Time	Pulse	Resp.	Blood Pressure	Temp.

ECG

Time	Rhythm

Range of Motion. ☐ Normal (full) ☐ None below waist ☐ One side only ☐ None below neck

ICDA CODE _____

VITAL SIGNS, SYMPTOMS & HISTORY

PRESENTING PROBLEMS

3039 ☐ A.O.B.
8950 ☐ Amputation
7962 ☐ Bedridden
3069 ☐ Behavioral Dis.
9490 ☐ Burn: Thm ☐
Chm ☐ Elc ☐
0000 ☐ Cancer
4279 ☐ Cardiac
4272 ☐ Cardiac Arrest
7889 ☐ Chills
0000 ☐ Communicable Disease
9290 ☐ Contusion/Abrasion
7802 ☐ Convulsions
8540 ☐ Crushing
2509 ☐ Diabetic
7832 ☐ Diff. Breathing
7886 ☐ Febrile ____
8250 ☐ Fracture/ Dislocation
7963 ☐ General Malaise
9701 ☐ Gunshot
0000 ☐ Head Injury, Conscious
0000 ☐ Head Injury, Unconscious
0000 ☐ Heat Stroke
0000 ☐ Hypothermia
9300 ☐ Impaled Object
4589 ☐ Internal Bleeding
9291 ☐ Laceration
6500 ☐ Maternity
6501 ☐ Miscarriage
0000 ☐ Multiple Trauma
7841 ☐ Nausea/Vomitting
9779 ☐ OD ____
7961 ☐ Pain: Where ____
59 ☐ Poison ____
9070 ☐ Puncture
0000 ☐ Renal
7960 ☐ Respiratory Arrest
7829 ☐ Shock
9580 ☐ Spinal Injury
9700 ☐ Stabbing
4369 ☐ Stroke/CVA
0000 ☐ Trauma - related airway complications
0000 ☐ Trauma - related D.A.S.
0000 ☐ Unconsciousness, D.A.S.
0000 ☐ Unconsciousness, etol. unh.
☐ Other ____

CAUSE OF INJURY

Vehicular
Code
001 - Auto or truck*
002 - Motorcycle*
003 - Other (inc. pedestrian)*

Non-vehicular
011 - Animal bite
012 - Cardiac
013 - Convulsion/seizure
014 - Diabetic
015 - Fall*
016 - Fire, chemical*
017 - Fire, electrical*
018 - Fire, scald*
019 - Machinery*
020 - OB
021 - Tverdose
022 - Rape
023 - Respiratory Distress
024 - Sporting Event*
025 - Stroke
026 - Undetermined Emergency
027 - Violence, Gunshot*
028 - Violence, Sharp Object*
029 - Violence, Blunt Object*
030 - Violence, Self inflicted*
031 - Water/Boat accident*

*Required for state reporting.

HOSPITAL USE ONLY SECTION

Hospital Receiving No. _____

Patient Received By: Dr. _____

Direct Admission to Spec. Care Unit ☐

1 ER #

2. Disposition in ER.
☐ Discharged ☐ RMA
☐ Admitted to Hosp ☐ Died
☐ Transf. to other Hosp. ____ ☐ DOA

Retrospective Run Code ☐ 1 ☐ 2 ☐ 3

PLEASE DO NOT WRITE OR MARK IN THIS AREA.

PATIENT/GUARANTOR/CREW INFO. SECTION

Three Rivers EMS System
One Main, Fort Wayne, IN 46802

RUN # 1 | PT # | SYSTEM ID 0 3 | UNIT # | DATE M M D D Y Y

PATIENTS NAME _____ AGE ____ SEX ____ DATE OF BIRTH ____

ADDRESS _____ CITY _____ STATE _____ ZIP _____ PH. _____

EMPLOYER _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____ PH. _____

GUARANTOR _____ RELATION _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____ PH. _____ EMPLOYER _____

Senior EMT ☐ ☐ ☐
EMT ☐ ☐ ☐

Private - No Insurance A ☐ | Private - Insurance B ☐ | Medicare C ☐ | Welfare D ☐ | Medicare/Welfare 3 ☐ | Workmen's Co. WF ☐

MEDICARE # _____ MEDICAID # _____

D.L. OR S.S. NO _____ SPECIAL BILLING INSTRUCTIONS _____

BASE SERVICE, MILEAGE, WAITING TIME

BASE SERVICE

Code 1	2	3	4	5
100	101	102	103	104
☐	☐	☐	☐	☐

Waiting Time

Time Begun ____ pm ____ am Time Ended ____ pm ____ am

FOR OFFICE USE ONLY Trans # _____

MILES INTRA CITY (WITHIN THE CITY)

Code 1	2	3	4
30	40	50	60

Inter City

1	2	3	4
31	41	51	61

LIFE SUPPORT PROCEDURES

Trans. #	Life Procedures	Qty
200	Artificial Respiration	
201	Bandaging	
202	Blood Specimens Drawn	
203	Cardioversion	
204	Cervical Collar Applied	
205	Controlled bleeding by press.	
206	CPR without Thumper	
207	CPR with Thumper	
208	Defib	
209	Drug Admin IV	
210	Drug Admin IM	
211	Drug Admin SC	
212	Drug Admin ET	
213	EKG Monitoring	
214	EKG Telemetry	
215	Extrication medium	
216	Extrication, heavy	
218	Intubation	
219	IV Fluid Admin	
220	MAST Application	
221	O_2 Admin	
222	Spine Board Used	
223	Splinting, Traction	
224	Splinting non-traction	
225	Suctioned Airway	

Comments _____

NO HAULS

Trans #	No Hauls
105	No Emergency Health Care Needed
106	Cancelled by Requestor who is patient or family
107	DOA not moved
108	Prank
109	Cancelled by Requestor other than patient or family
110	Unable to locate
111	Patient needed out Refused Care
112	Other (Explain under comments)
113	Cancelled by PD
114	Cancelled by FD

EXPENDABLES AND SUPPLIES USED

O_2 Supplies

500	Nasal O_2 Cannula, adult	
501	Nasal O_2 Cannula, peds	
502	O_2 Tubing	
503	O_2 Mask-ped	
504	O_2 Mask-infant	
505	O_2 Mask-adult	
506	O_2 Rebreather Mask, adult & child	
507	Venturi Mask, adult	
508	Venturi Mask, child	
509	Venturi Mask, infant	

Airways

520	#5 Oropharyngeal	
521	#4 Oropharyngeal	
522	#3 Oropharyngeal	
524	#1 Oropharyngeal	
525	#26 Nasopharyngeal	
526	#30 Nasopharyngeal	
527	#32 Nasopharyngeal	

Tape

540	½" Dermaclear tape	
541	1" Dermaclear tape	
542	2" Dermaclear tape	
543	½" Adhesive tape	

Bandages

550	1" Kling		553	6" Ace	
551	2" Kling		554	Kerlix	
552	3" Ace		555	Cravat	

Dressings

560	4x4 Sterile	
561	4x4 Unsterile	
562	3x3 Sterile	
563	ABD	
564	Burn Sheets	
565	Eye pads	
566	Eye shield	
567	Multi trauma dressing	
568	Vaseline gauze	

Drugs

580	Aminophyllin 500 mg/20 ml	
581	Antilirium	
582	Aramine 10 mg/ml	
583	Atropine 1 mg	
584	Benadryl 50 mg/ml	
585	Calcium Chloride 100 mg/ml	
586	Decadron 4 mg pre load	
587	Decadron 5 ml vial of 24 mg/ml	
588	Demerol 50 mg/ea	
589	Dextrose 50 cc bolus	
590	Epinephrine 1 10 000	
591	Glucagon 1 cc amp	
592	Intropin 40 mg/ml	
593	Ipecac	
594	Isuprel 1 5000	
595	Lanoxin 5 mg e cc	
596	Lasix 20 mg ea	
597	Lasix 100 mg ea	
598	Levophed 4mg 4cc	
599	Lidocaine bolus 100 mg	
600	Mannitol 20% 500cc bottle	
601	Morphine Sulfate 100mg ea	
602	Narcan	
603	Nitrostat 1 150 gr	
604	Pitocin amp 10u cc	
605	Sodium Bicarbonate 50 mEq	
606	Solu Cortef 500 mg 4cc	
607	Valium 10mg ea	
608	Xylocaine drip 1 gm	

Cervical Collars

617	Small	
618	Medium	
619	Large	

Supply Tubings

620	Macro	
621	Mini	
622	Ext	
623	Vacutainer Tubes (red)	
624	Vacutainer Tubes (purple)	

ET Tubes

630	2.0		638	6.5	
631	3.0		639	7.0	
632	3.5		640	7.5	
633	4.0		641	8.0	
634	4.5		642	8.5	
635	5.0		643	9.0	
636	5.5		649	E.O.A	
637	6.0				

Suction Supplies

650	#14-16 Fr. Suction kit	
651	#10-12 Ft. Suction kit	
652	Suction bag	
653	Suction tubing	
654	Tonsil tip, disposable	

EKG Supplies

666	EKG Paper	
667	Electrode gel	
668	Electrode pads	
669	Defib. pads	

Other

675	OB kit	
676	Umbilical clamps	
677	Scapel	
678	Bulb Aspirator	
679	Sterile gloves	
780	Razor	
781	Iodine prep pad	
782	Alcohol prep pad	
783	Sterile tongue blade	
784	Non-Sterile tongue blade	
785	Padded tongue blade	
786	Disp. emesisbasin	
787	Ammonia inhalant	
788	1000 ml st H_2O	
789	Asepto synnge	
790	K-Y jelly	
791	Sterile applicators	

Solutions

820	D5W 500 cc	
821	Lactated Ringers 1000 cc	
822	Normal saline 1000 cc	

Syringes

840	50 cc		843	5 cc	
841	20 cc		844	3 cc	
842	10 cc		845	1 cc	

Catheters

860	#16 Cathlon
861	#18 Short Cathlon
862	#18 long Cathlon
863	#20 Cathlon
864	#22 Cathlon

Butterflys			Needles	
880	#19		8x0	#19 filter
881	#21		8x1	#21
882	#25		8x2	#25

Date: _____ Pt. Name: _____

EMT Name _____

EMT # _____

Transported To: _____

Time	Vital Signs: Pulse	Resp	Blood Pressure	EKG: Rhythum

Time	Protocol Orders Performed:

Time	Additional Orders Received:

Orders Given By: _____

History Et Treatment: _____

Signed: _____ EMT # _____

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PUBLIC PRODUCTIVITY REVIEW

VOLUME IV NUMBER 3 — **September 1980**

a quarterly journal of the
«Center for Productive Public Management»
John Jay College of Criminal Justice
445 West 59th Street
New York, New York 10019

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Public Productivity Review is published quarterly (March, June, September, and December) by the Center for Productive Public Management, at John Jay College of Criminal Justice, 445 West 59th Street, New York, NY 10019. The Center does not assume responsibility for statements made by its contributors.

Manuscripts, books for review, and other editorial correspondence should be addressed to the Managing Editor. "Guidelines for Contributors" will be sent upon request.

Subscriptions, orders for back numbers, and changes of address should be addressed to the Circulation Department. Yearly subscriptions, $10.00 in United States and territories; foreign orders add $1.50. Single issues, $3.00, plus 75 cents postage and handling.

Public Productivity Review is indexed in *Sage Abstracts, Personnel Management Abstracts, Urban Affairs Abstracts,* and *Anbar Publications.*

ISSN 0361-6681
Library of Congress Catalog Number, 76-640461

Postmaster: Send Form 3579 to the *Public Productivity Review,* 445 West 59th Street, New York, NY 10019.

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«CURRENT RESEARCH»

Improving the Productivity of Emergency Medical Service

WILLIAM G. LUDWIN

THIS paper reports a number of computer simulation experiments on models of the Fort Wayne and Gary, Indiana ambulance systems. The problem addressed by these experiments concerns the creation of optimal ambulance transportation systems some set of policy constraints. The goals of both studies were to determine how productivity could be achieved through better use of resources (amublances and crews), and to discover the trade-offs between service and costs.

The objectives of an ambulance service are to provice on-scene emergency care and to transport the patient to a hospital. It is assumed that it is important to decrease the time until emergency care is provided. That is, there is an inverse relationship between the quality of emergency care and response time. Response time is defined as the time interval between the call for service and the ambulance's arrival at the scene. Response time is considered a good measure of the transportation system's contribution to emergency care. The goal of an ambulance system manager is to minimize response time for a given demand for service, and with a given set of resources.

A number of approaches to address this problem have been explored. Linear programming,[1] queuing theory,[2] and computer simulation[3] have been used with some success. Each approach has both advantages and disadvantages, but simulation can provide information about the behavior of ambulance systems that other methods cannot.

* William G. Ludwin is Associate Professor at the School of Public and Environmental Affairs, Indiana University, Fort Wayne.

[1] C. Toregas, et. al., "The Location of Emergency Service Facilities," *Operations Research*, XIX (October 1971), 1363-73.

[2] Jan M. Chaiken and Richard C. Larson, "Methods for Allocating Emergency Units," in Alvin W. Drake, Ralph L. Kenney, and Philip M. Morse, *Analysis of Public Systems* (Cambridge, MA: The MIT Press, 1972).

[3] Geoffrey Gordon, and Kenneth Zelin, "A Simulation Study of Emergency Ambulance Service in New York City," *Transactions of the New York Academy of Science*, XXXII April 1970, 414-27; R.G. Sagar and L.K. Dick, "A Computer Simulation of Ambulance Services," *Canadian Hospital*, XXVIII (May 1971); and, E.S. Savas, "Simulation and Cost-Effectiveness Analysis of New York Emergency Ambulance Service," *Management Science*, XV, 8608-26.

Model Number†	Number of Ambulances	Mean Response Time	Percent Delayed	Mean Delay	Service Levels			
G200*	2	7.74	17.67	14.37	16	25	30+	30+
G300	3	5.42	4.47	9.02	9	11	15	20
G310*	3	5.36	4.31	9.28	9	11	15	20
G320	3	5.83	4.69	9.38	10	12	16	20
G330	3	5.51	4.45	9.11	9	11	15	20
G400	4	4.90	.94	7.09	9	10	11	13
G410	4	4.89	.86	6.72	9	10	11	13
G420*	4	4.78	1.01	6.81	8	10	11	13
G430	4	4.81	.88	6.45	9	10	11	13
G500**	5	4.75	.20	4.87	8	10	11	12
G510	5	4.70	.14	4.94	8	9	11	12
G520	5	4.71	.22	5.32	8	9	11	12
G530	5	4.77	.15	5.06	8	10	11	12
G540*	5	4.62	.18	4.52	8	9	11	12
G600	6	4.61	.03	4.76	8	9	10	11
G610*	6	4.50	.02	3.43	8	9	10	11

† The model number identifies a particular configuration of ambulances, their locations and their duty tours.
* Graphed in Figures 1 and 2.
** The then current Gary system configuration.

Table 1: Summary of Simulation Results—Gary, Indiana.

The Gary Experiments

Sixteen simulation experiments were conducted on the Gary model. Table 1 is a summary of relevant measures obtained from the simulation experiments and Figures 1 and 2 graphically por-

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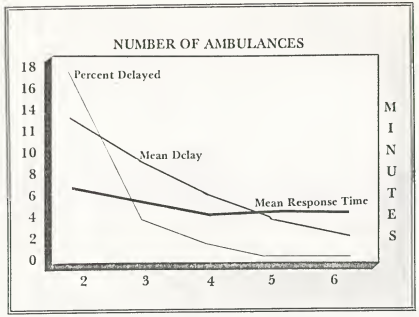

Figure 1: Simulation Results—Gary, Indiana.

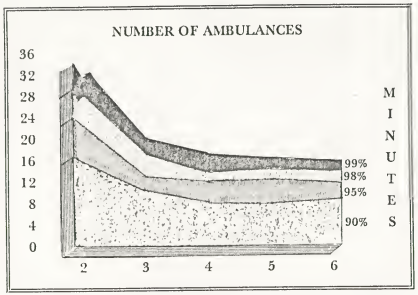

Figure 2: Service Levels—Gary, Indiana.

tray the results. The model data varied the number of ambulances and their locations while the remaining characteristics of the model were held constant. Mean response time is the typical measure of service, and it is a good general evaluator. The mean delay measures the time a call waits in a queue before an ambulance is free to answer the call. The percent of delayed calls is the proportion of calls for which an ambulance was not immediately available. Each of these three measures gives a slightly different interpretation of service.

The service levels in Table 1 refer to the distribution of response times and they may be interpreted in several ways. A straightforward explanation of the ninety percent service level for model G500 is that it takes eight minutes or less to respond to ninety percent of the calls for service. Alternatively, ten percent of the calls waited eight minutes or more for an ambulance to arrive. Viewed as a probability distribution, we can say there is a .9 probability an ambulance will respond in eight minutes or more. These levels are summarized because system policy should not only be concerned with averages, but also with the extremes of the distribution. It may be important to know the service the marginal two percent are receiving.

The Fort Wayne Experiments

After a validation run, eleven experiments were conducted on the Fort Wayne model. Table 2 lists the service measures observed for each experiment, and Figures 3 and 4 show the relationships between ambulances and service. Each of the service measures demonstrates diminishing marginal returns as ambulances are added. There is a dramatic improvement in service as the fourth ambulance is added, a modest improvement with the fifth, and very little with the sixth.

Conclusion

The conclusions to be drawn about the Fort Wayne ambulance system are similar to those of the Gary simulation experiments. These conclusions can be generalized somewhat. First, a decision range (three to six ambulances) was identified where meaningful trade-offs exist between service and cost. The simulations identified minimum and maximum facilities for each system, and presented

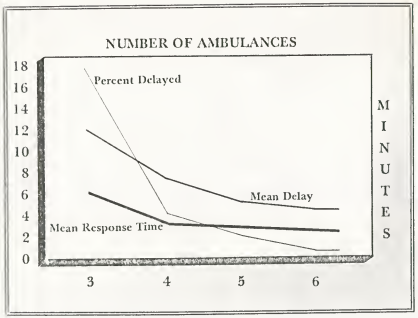

Figure 3: Simulation Results—Fort Wayne, Indiana.

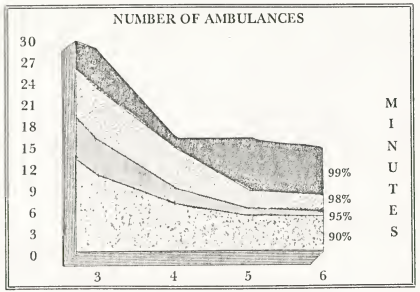

Figure 4: Service Levels—Fort Wayne, Indiana.

Model † Number	*Number of Ambulances*	*Mean Response Time*	*Mean Delay*	*Percent Delayed*	*Service Levels*			
1100**	2 2/3	6.35	12.16	18.3	14	21	29	30
1110	2 2/3	6.24	11.93	18.3	14	20	29	30
1120*	2 2/3	5.89	10.79	17.0	13	19	26	29
1130	3	5.42	10.03	14.1	11	16	24	29
1140*	3	5.30	9.96	14.0	11	16	23	28
1150	4	4.20	7.04	4.0	7	9	15	16
1160	4	3.85	6.81	4.0	7	9	15	16
1170	4	3.78	6.70	3.7	7	9	15	16
1180*	4	3.54	6.55	3.8	7	9	16	16
1190*	5	3.00	4.96	.8	6	7	9	16
2000*	6	2.80	4.57	.1	6	7	8	15

† The model number identifies a particular configuration of ambulances, their locations and their duty tours.
* Graphed in Figures 3 and 4.
** The then current Fort Wayne system configuration.

Table 2: Summary of Simulation Results—Fort Wayne, Indiana.

marginal benefit (service) and marginal cost data. This information enables decision makers to make more informed judgments. Second, it is clear that each set of simulation experiments identified efficiencies attributable to better ambulance locations. In each system, it was possible to identify "better" sets of ambulance locations. In some cases, it was shown that n-1 ambulances could provide nearly as good service as n ambulances. Both sets of experiments clearly demonstrated the value of experiments designed to test the service impacts of siting ambulances.

The two basic experimental questions were answered in both sets of experiments: service clearly depends upon the number of ambulances and their locations. The simulation experiments developed the information that permits decision makers to choose the best service at a particular cost, or alternatively, the lowest cost for a given level of service.

Productivity improvements for these two ambulance transportation systems could be achieved by placing ambulances in "better" locations. Of course, improving the productivity of the emergency medical transportation sub-system is only a part of the process of improving the productivity of the emergency medical system as a whole. The medical and communications sub-systems can also con-

tribute to productivity improvement. As demands for improved service and lower costs increase, productivity gains must be taken at every opportunity.